

ANNUAL REPORT of the Treasurer of the State of Wyoming



For the Period
July 1, 2001 through June 30, 2002

Cynthia M. Lummis, State Treasurer
Sharon Garland, Deputy State Treasurer
Glenn Shaffer, Chief Investment Officer

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FOREWORD

I was attending the National Association of State Treasurers annual meeting in Santa Fe on September 11, 2001, along with many people who work in Manhattan, who were trying desperately to contact family and colleagues. We mourned with New York State Treasurer George Gasser, who lost over 40 employees in the World Trade Center, and triumphed for others among us as they were able to reach their friends and loved ones by telephone. Driving home with Deputy State Treasurer Sharon Garland and investment analyst Ken Rolfsness and his wife, Carol, we all commented on how eerie it was to see the big blue skies of the Rocky Mountain West completely devoid of vapor trails and airplanes. All Americans will remember their feelings and disbelief as they watched the twin towers fall. Thankfully united, our 'One Nation under God' emerged with strength and complete conviction to face the challenge presented by al Qaida as it preys on the world's most unstable social systems in the East and Middle East and, ultimately, the Western World.



Investments

It has been a challenge to invest the state's permanent funds during the fiscal year that included September 11, 2001. We chose not to place additional state funds with our equity managers during the fiscal year, with the exception of modest initial investments in our small-mid cap value and growth managers, Gabelli Asset Management and John McStay Investment Counsel. Bi-monthly telephone calls with all of our external managers through the second half of the fiscal year were instructive but only slightly productive from an income-generating perspective: we finished the fiscal year with lower than projected income, but outstanding performance given market conditions. **In fact, the 5.19% total return on Wyoming's investments of \$4.3 billion was the highest one year annualized return among 92 of the largest public funds nationwide, according to our investment advisor, R.V. Kuhns and Associates, Inc.** Wyoming also had the highest three year annualized total fund returns among the universe of public funds that participated in the report compiled by R.V. Kuhns. Within the public funds universe, Wyoming's permanent funds outperformed every or almost every large public fund in the nation this fiscal year.

Our continued overweighting of the portfolio in fixed income and cash investments and underweighting in equities contributed to the exceptional performance of Wyoming's permanent funds during the fiscal year. Low interest rates and a dreadful stock market made it difficult to realize gains. Thankfully, the Legislature had saved some funds to the permanent mineral trust fund reserve account, so we were able to comply with the statutory spending policy. Once interest rates begin to rise from their current historic lows, our overweighting in bonds will work against us. We are prepared to begin funding several of the equity managers we have selected but not funded, once the market indicates recovery. None of the experts with whom we speak expect the stock market to return to late-1990 levels, predicting instead that traditional returns in the 5% to 6% range will become the norm.

As I traveled the State campaigning for re-election during the summer and fall of 2002, I heard - loud and clear - the concerns that Legislators, bankers, agriculture producers and others expressed that we should 'invest in Wyoming, not Wall Street'. My response is that we should invest in Wyoming and Wall Street. I have been searching and studying since my first days as State Treasurer for the right ways to make investments in Wyoming - ways that are consistent with Wyoming's permanent fund investment goals for return and tolerances for risk. I am confident, having joined forces with the University of Wyoming and the Business Council, that we have identified the tools we must have to be successful, and we have issued an RFP to find the right provider. After four years of work, I look forward to reporting the results of a successful search and implementation of a program that is an absolutely necessary component of establishing a climate of entrepreneurship in Wyoming.

The College Achievement Plan

Wyoming's 529 plan, the College Achievement Plan, grew during the fiscal year from just over five million to over fifteen million dollars in participant balances. Just under one million of this total is from 219 participants from Wyoming in the program. The remainder is in accounts set up by 1,503 out of state participants.

The '529' world has changed dramatically, even during the two years that our 529 plan has been in place. Several large states now have relationships with multiple 529 providers, and providers prefer to affiliate with states from which they can garner marketing fees for their broker/dealers in addition to the fund management fees. Consequently, '529' relationships have moved away from Wyoming's relationship with Merrill Lynch, wherein Merrill Lynch receives management fees for its Mercury Funds but cannot market Wyoming's 529 plan outside of Wyoming, due to its exclusive marketing agreement with the state of Maine's NextGen Plan. Merrill Lynch's marketing arrangement with MFS on Wyoming's behalf has proven to be unsatisfactory, because MFS has entered into a full relationship (marketing and fund management fees) with Oregon's 529 plan. Therefore Wyoming's College Achievement Plan is not being marketed outside of Wyoming and its growth is not keeping pace with 529 plans in other states. Our goal of making the College Achievement Plan self supporting is not being met. We will continue to work with our partner Merrill Lynch, as Wyoming's interests in increasing participation in The College Achievement Plan is aligned with the interests of Merrill Lynch, and investment returns to the participants in The College Achievement Plan confirm that we are offering a quality investment product with '529' tax advantages.

Unclaimed Property

Since the inception of the Unclaimed Property Program, more than \$24.4 million has been received. Of that amount, almost half (49.77%) has been returned to the rightful owners or heirs. The Unclaimed Property Division is totally self-supporting and has generated more than \$1.9 million in interest income to augment the General Fund.

During FY02, 8,450 unclaimed property reports were received, totaling more than \$3.4 million. More than \$1.9 million was returned to the rightful owners or heirs. More than 4,800 letters were mailed to owners notifying them of their unclaimed property. Approximately 4,400 owners contacted us to perform name searches for unclaimed property. This does not include the numerous owner-generated searches on our name-search website.

Sue Larson joined the Unclaimed Property Division in June. There are a total of 6 full-time employees and 2 contract employees in the Division.

University of Wyoming Endowment Challenge Program

The Legislature in 2001 provided a \$30 million appropriation to the University of Wyoming to match private gifts of \$50,000 or more designated for UW endowment purposes. My office administers the state match, and it has been gratifying to me, as a three-time graduate of the University of Wyoming, to transfer over five million of the seventeen million dollars already committed to be matched by private gifts. The income generated by endowed gifts helps the University attract exceptional students and faculty, enhance its facilities and make a difference in the lives of the people of Wyoming. The University's overall Campaign for Distinction has raised \$77 million in just two years, and has prompted the UW Board of Trustees to raise the campaign goal from \$100 million to \$125 million. The Legislature is to be commended for creating the Endowment Challenge Program to enhance higher education opportunity in Wyoming.

Friends

I wish to welcome two new faces, each with a wealth of expertise, to the State Treasurer's Advisory Committee. Fremont County Treasurer Scott Harnsberger and University of Wyoming Trustee and Rock Springs physician Tom Spicer have agreed to join the committee, replacing two great friends and advisors, Dennis Wallace of Cheyenne and Steve Chadderdon of Casper. My thanks to Dennis and Steve for their service. Scott and Tom join continuing committee members Frosty Kepler, Tom Lockhart, Rick Miller, John Patton, Mary Thoman, Michael Walden-Newman, Steve Clark and John Thurman. The Advisory Committee, along with members of the Legislature's Select Committee on Capital Financing and Investments and the Treasurer's Investment Working Group, meets annually with Wyoming's external and internal fund managers to review and discuss Wyoming's investment portfolios. Each of the participants in these discussions contributes to the successful investment of Wyoming's permanent funds and cash pools, and we are grateful to each of them for their many contributions of time and expertise. Finally, to the staff of the State Treasurer's Office, I extend my thanks for a job well done by a fine group of people - Wyoming is mightily blessed by your commitment and dedication to your work on its behalf.

DUTIES OF THE OFFICE

The principal duty of the State Treasurer is to safeguard and to supervise or invest all the funds of the state, including the cash balance, the local government investment pool and the permanent funds. However, the State Treasurer has many other additional duties and currently serves on several boards and commissions as follows: 1) State Loan and Investment Board, 2) Board of Land Commissioners, 3) State Building Commission, 4) Wyoming Community Development Authority, 5) Board of Deposits, 6) State Canvassing Board, 7) Wyoming Retirement System Board of Directors, 8) On-line Government Commission and 9) Financial Advisory Council. The State Treasurer also serves as administrator of the Wyoming family college savings program.

Daily receipts from state agencies are reconciled and deposited for the agency. State warrants are redeemed from the bank each day and filed for reference. All available cash is deposited daily. A composite investment account composed of funds from the agencies, called the state agency pool, is invested daily with the interest going either to the general fund or to the fund that earned the interest. Interest on Permanent Land Funds goes either to an income fund or to the general fund. Permanent Mineral Trust Fund earnings are transferred annually to the general fund. The State Treasurer also has general responsibility for the management of the state's cash resources including developing information to forecast the cash needs of the state.

The State Treasurer has the duty of periodically sponsoring and holding training seminars for the benefit of local government treasurers to discuss proper and lawful investments according to Wyoming law.

The Wyoming Unclaimed Property Program is administered by the Treasurer. This involves holding unclaimed property for the rightful owners and making diligent efforts to locate those rightful owners.

The Treasurer handles the deposit of funds in financial institutions within the state; notifies the financial institutions of quarterly rates set by the Board of Deposits, maturities, and payment of interest; and monitors collateral pledges under the provisions of the law.

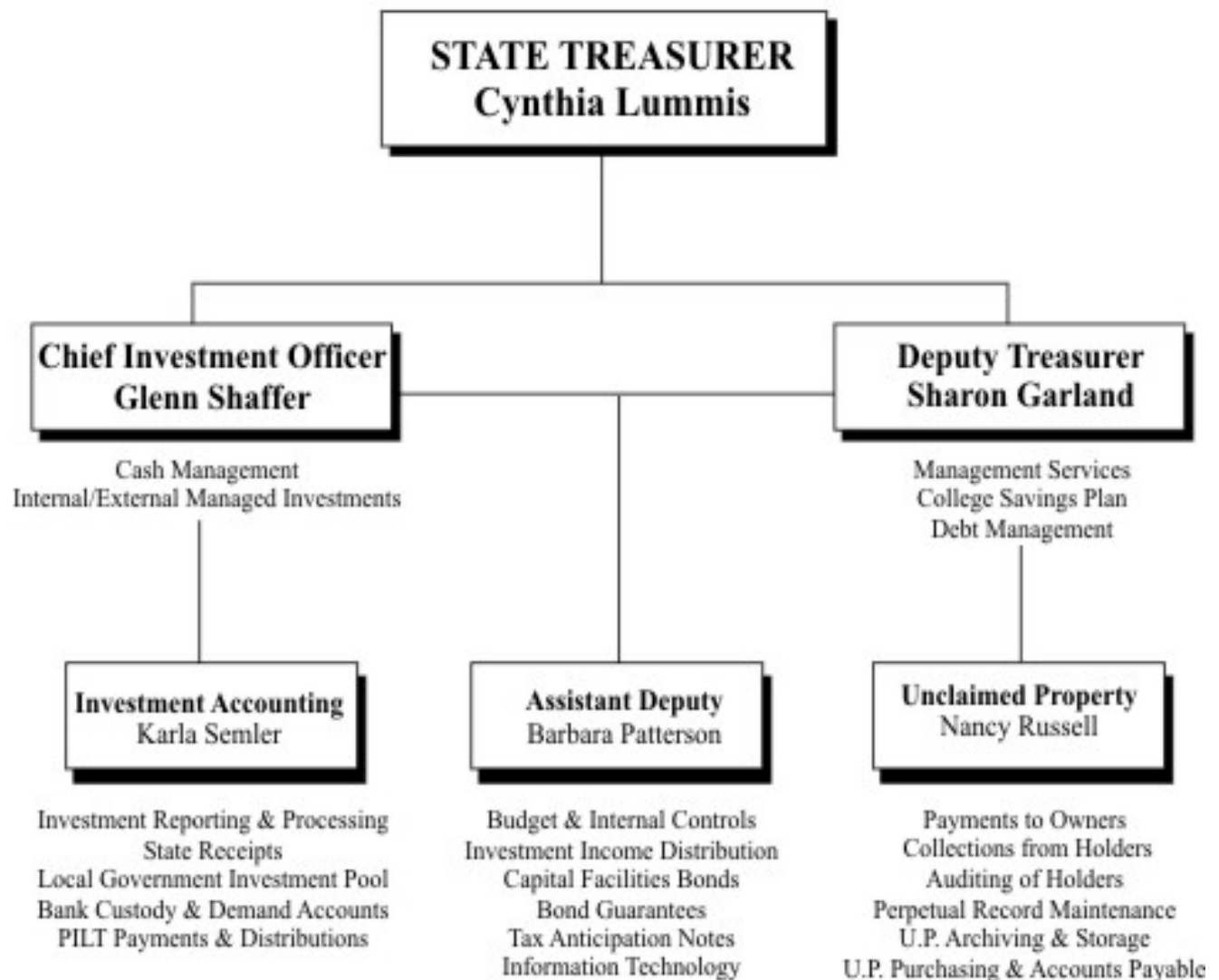
The Treasurer administers the Wyoming State Treasurer's Asset Reserve (WYO-STAR) which is an investment pool for use by local government entities, school districts, counties and cities that wish to place funds with the state for short term investment.

Distributions of various state and federal monies are made as prescribed by law to cities, towns, counties, and state agencies.

The only automobile assigned to the office is S-4.

ORGANIZATIONAL CHART OF STATE TREASURER'S OFFICE

As of June 30, 2002



BALANCE SHEET

As Of June 30, 2002

ASSETS

Treasurer's Cash	\$13,477,677.58	
Cash with Fiscal Agent	<u>75,803,547.26</u>	\$89,281,224.84
Income Receivable	11,184,699.77	
Net Accrued Interest Receivable	<u>56,699,569.26</u>	67,884,269.03
State Investments @ Cost	4,639,277,671.81	
WYO-STAR Investments @ Cost	<u>212,409,641.36</u>	
Total Investments @ Cost		<u>4,851,687,313.17</u>
TREASURER'S TOTAL ASSETS		<u><u>\$5,008,852,807.04</u></u>

LIABILITIES

Due to Local Government Entities (WYO-STAR income)	\$0.00
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EQUITY

State Investment Equity	\$4,709,454,918.65	
Bond Funds with Fiscal Agent	75,803,547.26	
Unapportioned Income	<u>11,184,699.77</u>	
Total State Equity		4,796,443,165.68
WYO-STAR Participation		<u>212,409,641.36</u>
TREASURER'S TOTAL LIABILITY & FUND EQUITY		<u><u>\$5,008,852,807.04</u></u>

STATEMENT OF CASH FLOWS

For Year Ended June 30, 2002

Cash flows from operating activities:

Receipts	1	\$3,269,102,847.65
Less return items		<u>(1,602,889.75)</u>
Net Cash receipts		3,267,499,957.90
Increase in Petty Cash		(1,925.00)
Expenses		
Warrants redeemed	2	<u>(3,307,722,025.47)</u>

Net Cash provided (used) by operating activities (\$40,223,992.57)

Cash flow from investment operations:

Cash Investment income received	3	232,142,773.61
Net increase in investments & loans receivable		<u>(193,677,633.83)</u>

Net Cash provided (used) by investment activities 38,465,139.78

Net increase (decrease) in Cash (1,758,852.79)

Beginning Cash: July 1, 2001 15,236,530.37

Ending Cash: June 30, 2002 \$13,477,677.58

Notes:

- 1 Most income to the state is entered as a receipt by the receiving agency and is then processed through the State Treasurer's Office. The exception to this process is investment income, which is entered directly to the investment system and is apportioned later to the receiving agencies. The "receipt" total above represents only non-investment income.

Fiscal Year 2002 net cash receipts decreased .3% compared to FY01.

- 2 The "warrants redeemed" total represents the amount paid by the State Treasurer to redeem warrants presented for payment during the fiscal year. Warrants redeemed cannot be equated to total expenditures as warrants may be written in one fiscal year and not presented for payment until the following fiscal year. Internal transfers between agencies, funds or accounts are not included in this total.

In Fiscal Year 2002 warrants redeemed increased 10% compared to FY01.

- 3 "Investment income received" represents the investment income actually received by the Treasurer for the fiscal year. Distributions do not normally exactly equal earnings because some income earned and received in one fiscal year may actually be distributed in the following fiscal year. This figure excludes non-cash items, but does include all state trading profits.

INCOME EARNINGS RECOGNIZED ON INVESTMENTS

During Fiscal Year 2002

	REGULAR INVESTMENT INCOME	CASH POOL INTEREST 07/01 - 06/30	TOTAL INVESTMENT INCOME RECEIVED
Water Development	\$5,190,357.22	\$3,506,153.92	\$8,696,511.14
Worker's Compensation	18,108,547.43	4,604,729.32	\$22,713,276.75
Tobacco Settlement Trust Fund	2,624,751.85	218,745.38	\$2,843,497.23
Miners' Hospital Permanent Land Fund	0.00	1,158,669.18	\$1,158,669.18
Public Buildings @ Cap Permanent Land Fund *	0.00	5,652.43	\$5,652.43
Fish Hatchery Permanent Land Fund	0.00	10,967.74	\$10,967.74
Common School Permanent Land Fund	34,468,430.57	6,105,670.03	\$40,574,100.60
Common School II	0.00	251,177.73	\$251,177.73
D.D. & B. Permanent Land Fund *	0.00	33,808.65	\$33,808.65
Carey Act Permanent Land Fund *	0.00	19,132.16	\$19,132.16
Omnibus Permanent Land Fund *	0.00	118,081.07	\$118,081.07
State Hospital Permanent Land Fund *	0.00	55,038.23	\$55,038.23
State Training School Permanent Land Fund *	0.00	16,926.80	\$16,926.80
Penitentiary Permanent Land Fund *	0.00	41,569.86	\$41,569.86
Agriculture College Permanent Land Fund	0.00	277,377.95	\$277,377.95
University Permanent Land Fund	0.00	690,231.76	\$690,231.76
Permanent Mineral Trust Fund	78,648,291.43	15,054,424.58	\$93,702,716.01
Other Funds	0.00	64,759,879.87	\$64,759,879.87
	<u>\$139,040,378.50</u>	<u>\$96,928,236.66</u>	<u>\$235,968,615.16</u>
<u>Total Income - Treasurer's Investments</u>		<u>\$235,968,615.16</u>	

Note: Realized yield for all state investments is 5.06% for FY02. This is an approximation based on income recognized versus end-of-month investments at current amortized cost, and includes investment managers but excludes WYO-STAR.

* All or a portion of the investment income from these funds ultimately goes to the General Fund and is included in the \$29,114,750.64 General Fund Income.

STATE TREASURER'S INVESTMENT SUMMARY

As Of June 30, 2002

	<u>COMMON SCHOOL PLF</u>	<u>WATER DEVELOPMENT</u>	<u>WORKERS' COMPENSATION</u>	<u>MINERAL TRUST FUND</u>	<u>TOBACCO SETTLEMENT FUND</u>	<u>STATE AGENCY POOL</u>	<u>WYO-STAR (LGIP)</u>
INVESTMENT TYPE							
Discretionary Investments							
CMO/Remics	\$977,028.05					\$7,866,312.17	\$9,292,989.14
Commingled Funds							
Commercial Mortgage Backed	3,400,319.97						
Corporate Bonds	85,775,070.86		\$10,931,604.79	258,703,792.41		76,009,741.67	
Discounted Notes			6,371,663.35				82,615,944.44
Government Bonds	449,637,941.21		257,903,082.16	683,049,311.18	\$29,484,834.60	964,223,985.86	41,836,486.36
Mortgage Backed	414,740.90						11,799,625.22
Municipal Bonds							
Mutual Funds							
Repurchase Agreements							
Guaranteed Investment Contracts				32,360,624.12			
Deposits: Financial Institutions							
Bank Deposits-Bids							
Bank-Additional Deposits							
Bank Deposits-TDOA						37,270,000.00	
Treasurer's Cash Deposits							
Cash/Receivables/Payables							66,864,596.20
Program Loans Authorized By State							
AG Loans						15,125,377.13	
Cities & Towns				15,022,503.17			
Clean Coal				20,700,000.00			
Community College Bonds	244,000.00						
Drainage Districts	29,500.00						
Farm Loans				104,595,356.81			
Irrigation Loans				12,527,376.61			
Joint Powers Loans				15,770,477.80			
Mortgage Purchase Program	6,664,578.08						
SBAA Program				10,649,976.58			
Special FLB Loans				507,769.25			
Student Loans				2,459,671.11			
Water Development Loans				42,601,394.84			
Investment Managers							
Equity Managers	125,336,954.42		25,447,227.81	255,918,997.77			
Fixed Income Managers	154,806,351.10	\$65,573,946.75		125,168,969.84		34,690,619.40	
Cash Management						701,066,301.10	
Net Discount/Premium Not Yet Recognized	(4,476.97)		(54,709.91)	42,464.35	(89.10)	7,080.57	
	<u><u>\$827,282,007.62</u></u>	<u><u>\$65,573,946.75</u></u>	<u><u>\$300,598,868.20</u></u>	<u><u>\$1,580,078,685.84</u></u>	<u><u>\$29,484,745.50</u></u>	<u><u>\$1,836,259,417.90</u></u>	<u><u>\$212,409,641.36</u></u>

REPORT OF THE STATE BOARD OF DEPOSITS

As of June 30, 2002

The State Loan & Investment Board, consisting of the five elected officials, met on April 11, 2002 to consider the applications from Wyoming financial institutions to be designated as State Depositories under the provisions of the State Depository Law. The Board meets quarterly, in advance of each calendar quarter, to set the interest rate for the ensuing quarter. All deposits in excess of the federally insured amount of \$100,000 are protected by a pledge of securities or mortgage loans to the State Treasurer as prescribed by statute.

The State Treasurer & the Department of Audit have determined that the parent & branches will be considered a single entity for FDIC Insurance, Time Deposit-Open Accounts (TDOA's), & other deposit programs. The parent bank will hold the depository relationship.

No Wyoming Banks were reported closed in Fiscal Year 2002.

TDOA DEPOSITS IN WYOMING BANKS

First National Bank, Buffalo	4,400,000.00
Hilltop National, Casper	2,000,000.00
American National Bank, Cheyenne	100,000.00
Security First Bank, Cheyenne	2,000,000.00
Western Bank, Cheyenne	500,000.00
Wyoming Bank & Trust, Cheyenne	700,000.00
Converse County Bank, Douglas	1,100,000.00
First National Bank, Gillette	3,600,000.00
State Bank, Green River	100,000.00
Hulett National Bank	100,000.00
Bank of Jackson Hole	4,500,000.00
Central Bank & Trust, Lander	100,000.00
First National Bank, Laramie	1,600,000.00
Cowboy State Bank (fka Ranchester State Bank)	300,000.00
Bank of Commerce, Rawlins	700,000.00
Rawlins National Bank	1,000,000.00
Sundance State Bank	900,000.00
First State Bank, Thermopolis	600,000.00
First National Bank, Torrington	770,000.00
Pinnacle Bank, Wyoming (Torrington)	8,300,000.00
Union State Bank, Upton	100,000.00
First State Bank, Wheatland	1,000,000.00
	<hr/>
	\$34,470,000.00

REPORT OF THE STATE BOARD OF DEPOSITS (cont'd)

TDOA DEPOSITS IN WYOMING FEDERAL SAVINGS BANKS

Buffalo Federal Savings Bank	\$1,000,000.00
First Federal Savings Bank, Sheridan	1,800,000.00
	<u><u>\$2,800,000.00</u></u>

PROPOSAL FOR ADDITIONAL DEPOSIT PROGRAM

This program became operational in September, 1998 and provided an additional \$17,000,000.00 in non-renewable deposits in 15 banks/savings institutions for up to a two-year term. All deposits matured and the program ended in FY01.

PROPOSAL FOR DEPOSIT PROGRAM

This program became operational December 15, 1995, and provided that an approved depository bank may request a deposit under the specified terms of the program. Interest earned by this program totaled \$186,006.95 in FY02. All deposits matured and the program was ended in FY02.

TIME DEPOSITS - WYOMING BANKS

Rates for Time Deposit-Open Account deposits are set quarterly by the State Board of Deposits. A total of \$2,641,512.94 in investment income was received in Fiscal Year 2002.

<u>Year</u>	<u>BANKS</u>			<u>SAVINGS & LOANS</u>		
	<u>Amount</u>	<u>Rate</u>		<u>Amount</u>	<u>Rate</u>	
		<u>May</u>	<u>Nov</u>		<u>May</u>	<u>Nov</u>
1976	\$37,930,000	5.25%	5.50%	\$3,970,000	5.50%	5.75%
1977	41,350,000	5.50%	6.00%	8,930,000	5.75%	6.25%
1978	46,180,000	6.50%	7.25%	15,300,000	6.75%	7.75%
1979	50,230,000	8.75%	10.00%	16,530,000	9.00%	10.25%
1980	56,050,000	12.75%	10.75%	18,530,000	13.00%	11.00%

The Board of Deposits ceased granting different interest rates effective January 1981. Banks and Federal savings banks have been allocated the same rate from that date to the present.

<u>Year</u>	<u>DEPOSIT AMOUNTS</u>		<u>RATE</u>			
	<u>Banks</u>	<u>S&L</u>	<u>January</u>	<u>April</u>	<u>July</u>	<u>October</u>
1981	\$59,860,000	\$19,675,000	11.50%	11.75%	12.50%	13.50%
1982	63,995,000	20,005,000	10.25%	12.50%	12.75%	9.75%
1983	67,760,000	20,500,000	9.25%	8.00%	8.25%	8.25%
1984	67,750,000	20,500,000	8.25%	8.50%	9.25%	9.25%
1985	67,950,000	20,500,000	8.50%	8.25%	7.25%	7.25%
1986	65,110,000	15,705,000	7.00%	6.75%	6.00%	5.00%
1987	59,210,000	16,075,000	5.00%	5.00%	5.75%	5.90%
1988	56,215,000	16,075,000	6.00%	5.75%	6.50%	7.50%
1989	44,241,000	16,112,000	8.00%	9.25%	8.70%	8.125%
1990	40,360,000	14,929,000	7.65%	7.60%	7.50%	7.50%
1991	39,182,000	9,516,000	7.25%	6.10%	5.70%	5.50%
1992	50,193,000	10,364,000	5.00%	4.50%	4.25%	3.75%
1993	50,437,000	9,390,000	3.25%	3.00%	3.00%	3.00%
1994	52,808,000	10,410,000	3.00%	3.125%	4.00%	4.50%
1995	64,772,000	13,333,000	5.30%	5.80%	5.80%	5.58%
1996	73,360,000	12,669,000	5.46%	5.12%	5.12%	5.23%
1997	82,625,000	12,109,000	5.16%	5.10%	5.25%	5.16%
1998	89,459,000	6,345,000	5.14%	5.22%	5.11%	5.08%
1999	87,581,000	5,850,000	4.42%	4.48%	5.14%	5.01%
2000	79,508,000	3,186,000	5.22%	5.14%	5.72%	5.94%
2001	54,750,000	3,700,000	6.49%	6.58%	4.37%	4.37%
2002	34,470,000	2,800,000	2.07%	1.62%	2.28%	3.00%

PROFITS REALIZED FROM INTERNAL ACTIVE PORTFOLIO MANAGEMENT

The state of Wyoming investment portfolio that is managed in-house continues to be actively managed. The entire portfolio of discretionary investments (those that are not subsidy investments mandated by the legislature) is monitored on a regular basis. Securities that have a market value in excess of book value (the adjusted price) are considered eligible for sale if the proceeds can be re-invested to the advantage of the overall portfolio. Sometimes the advantage may be in the form of increased yield, or it may be in the form of better liquidity or better quality. The bond market is constantly fluctuating, and bond trades can be made to take advantage of the market fluctuations, aberrations and trends. This has been made possible by the use of market information received minute-by-minute on the Bloomberg Financial System.

This year continued to be difficult for trading. Some trading resulted in limited losses while overall the trading was profitable. The following is a monthly summary of transactions made in FY2002. The dollar amounts listed do NOT include any additional income resulting from substituting different securities.

These figures do not include investment managers' trading.

<u>MONTH</u>	<u>TOTAL</u>	<u>STATE AGENCY POOL</u>	<u>COMMON SCHOOL PERMANENT LAND FUND</u>	<u>WORKERS COMP POOL</u>	<u>PERMANENT MINERAL TRUST FUND</u>	<u>TOBACCO SETTLEMENT FUND</u>
July 2001	\$307,989.71	\$176,316.51	\$1,257.87	\$2,355.09	\$128,060.24	\$0.00
August	1,905,004.23	249,818.09	64,517.76	0.00	1,590,668.38	0.00
September	177,743.00	28,743.29	32,384.60	2,626.14	113,988.97	0.00
October	493,397.49	(29,068.84)	417,287.02	4,383.56	100,795.75	0.00
November	976,301.57	88,149.08	137,088.66	7,560.66	743,503.17	0.00
December	128,183.87	17,188.31	12,999.76	19,123.60	78,872.20	0.00
January 2002	739,186.39	440,193.01	(18,364.98)	127,258.90	189,167.50	931.96
February	1,081,574.15	412,421.87	(37.95)	69,772.50	599,417.73	0.00
March	445,205.33	104,687.50	289,467.83	0.00	51,050.00	0.00
April	1,527,652.16	850,815.40	633,998.26	42,838.50	0.00	0.00
May	366,882.11	134,401.18	159,342.53	29,320.40	43,818.00	0.00
June	381,989.52	130,563.78	95,366.13	45,559.37	110,500.24	0.00
	<u>\$8,531,109.53</u>	<u>\$2,604,229.18</u>	<u>\$1,825,307.49</u>	<u>\$350,798.72</u>	<u>\$3,749,842.18</u>	<u>\$931.96</u>

FIXED INCOME INVESTMENT MANAGERS As Of June 30, 2002

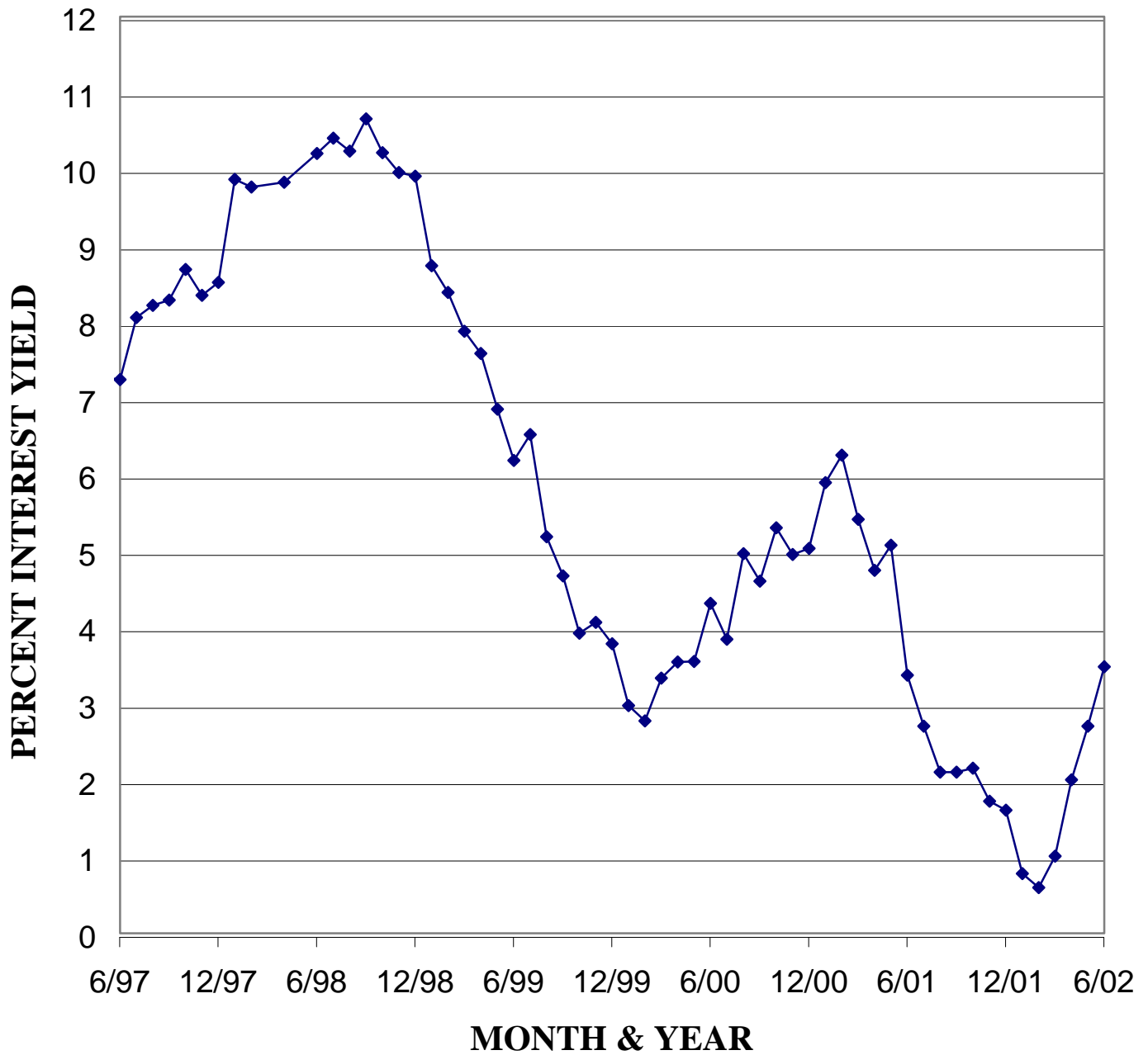
Total Investments held	\$376,637,048.22	
Cash + receivables/payables	<u>2,766,816.02</u>	
Total Investments held	\$379,403,864.24	
Income due to State Treasurer	<u>836,022.85</u>	
Net Investments with Fixed Income Managers	<u><u>\$380,239,887.09</u></u>	
Income recognized (includes accruals/amortization)		<u><u>\$22,530,289.44</u></u>
Profit (loss) remitted to Treasurer for FY02		<u><u>(\$12,036,192.06)</u></u>
Realized yield FY02:	2.71%	

The external fixed income manager return was reduced in FY02 because of losses incurred from convertible bonds. Since this sector has a connection to the equity market, and the equity market did poorly, it did impact the fixed income management overall. The economy continued a second year of decline and short term interest rates continued to be reduced and resulted in lower returns. The long term internally managed fixed income portfolio continued to produce higher returns again confirming the premise that diversification in asset allocation produces a positive result.

The return recognized through fixed income manager performance during FY02 was 2.71%, while the return recognized by the state investments as a whole was 5.06%.

Note: This report reflects the 2 fixed income managers in place as of 6/30/02 (Criterion and Western Asset Management), and 1 convertible bond manager (Nicholas Applegate) but does not reflect JPM Fleming, which invests the state's operating funds and/or the fixed income funds managed internally by the Treasurer's office.

REALIZED YIELD EXTERNAL FIXED INCOME MANAGERS



EQUITIES

EXTERNAL INVESTMENT MANAGERS

As Of June 30, 2002

Total Investments held	\$396,683,947.70
Cash + receivables/payables	<u>(1,745,045.25)</u>
Total Investments held	\$394,938,902.45
Income due to State Treasurer	<u>11,764,277.55</u>
Net Investments with Fixed Income Managers	<u><u>\$406,703,180.00</u></u>

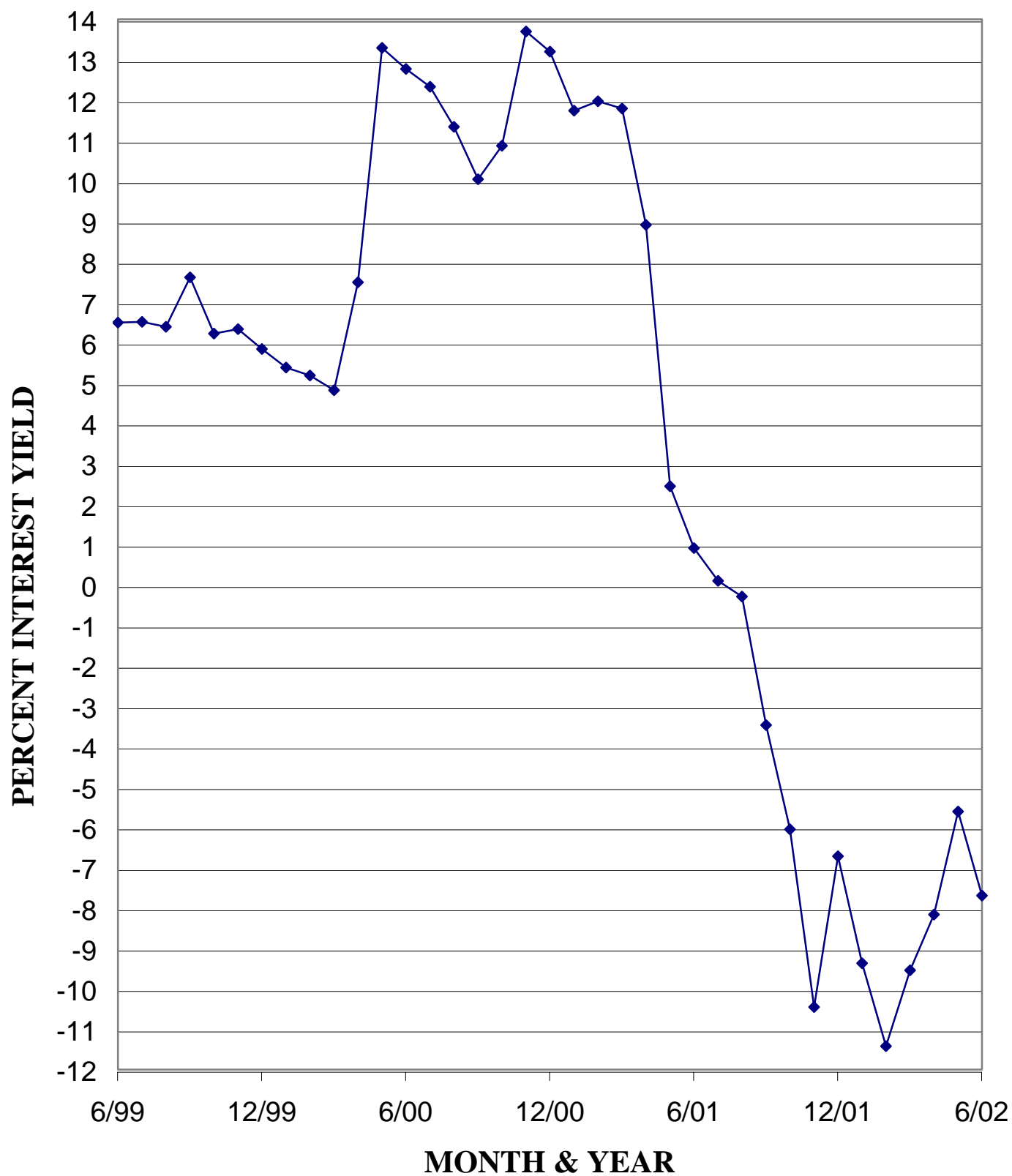
Income recognized by Treasurer	<u><u>\$3,734,859.59</u></u>
Profit (loss) remitted to Treasurer for FY02	<u><u>(\$23,985,260.06)</u></u>

Realized yield FY02: -5.61%

Equity managers continued to experience a severe downturn in the market for FY02. After beginning in FY00, the downturn continued throughout FY02. The decision of the Treasurer to refrain from additional equity exposure during the downturn did reduce the incurred losses. While this downturn has occurred in the short term, it is still the philosophy of the State Loan and Investment Board that additional measured exposure to this long term investment category will produce positive results over longer term exposure and as part of a diversified investment program.

Manager	Type	Specialty
Nicholas Applegate	Domestic Equity	Large Cap Growth
Institutional Capital Corp	Domestic Equity	Large Cap Value
J P Morgan	Domestic Equity	Large Cap Enhanced Index
Gabelli Asset Management	Domestic Equity	Small/Mid Cap Growth
John McStay Investment Counsel	Domestic Equity	Small/Mid Cap Value

REALIZED YIELD EXTERNAL EQUITY MANAGERS



CASH MANAGEMENT

EXTERNAL INVESTMENT MANAGER

As Of June 30, 2002

Total Investments held	\$277,029,864.37
Cash + receivables/payables	425,442,306.31
	<hr/>
Total Investments held	\$702,472,170.68
Income due to State Treasurer	(1,405,869.58)
	<hr/>
Net Investments with Cash Management Manager	\$701,066,301.10
	<hr/> <hr/>

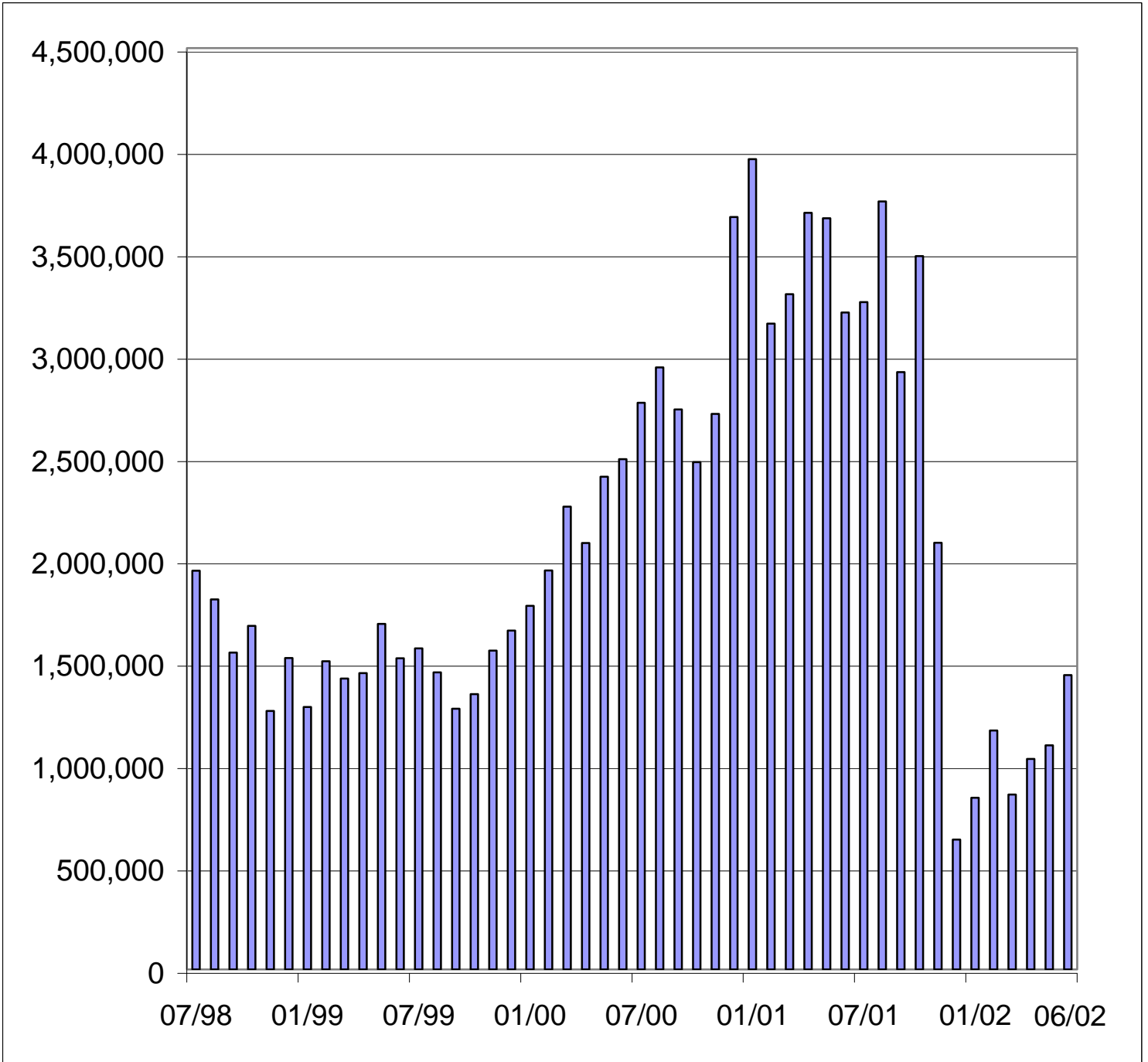
Income recognized (includes accruals/amortization)	\$23,608,331.79
	<hr/>
Profit (loss) remitted to Treasurer for FY02	\$1,891,852.33
	<hr/> <hr/>

Realized yield FY02: 3.72%

The State Treasurer retained an external cash manager several years ago to efficiently manage the cash portion of the investment assets. The external manager produces a return that is measured against a benchmark established by the State Loan and Investment Board with the advice of the Board's consultant. This portfolio is managed daily and fluctuates several times each day as cash activities occur. The realized return this fiscal year has been very good, with investment expectations being met.

The use of an external manager allows internal management to concentrate on the greater portion of the State's investable funds and provides that diversification and transition of those assets is more professionally monitored. These funds are a part of the State Agency Pool. JPM Flemming Asset Management is the current manager of these funds.

NET INCOME EXTERNAL CASH MANAGEMENT



SECURITIES LENDING INCOME

In cooperation with JP Morgan Chase Bank, Wyoming runs a very conservative & prudent securities lending program. Income from the overall program is allocated back to each fund from which the securities are loaned, & substantial additional income is achieved for the state of Wyoming.

	INCOME RECOGNIZED	SECURITIES LENDING EXPENSE	NET INCOME RECOGNIZED
Common School Permanent Land Fund	\$1,205,652.56	\$1,101,587.92	\$104,064.64
Permanent Mineral Trust Fund	\$1,762,270.60	1,596,725.98	165,544.62
Water Development Pool	\$227,994.38	198,213.59	29,780.79
Worker's Compensation Pool	\$71,579.25	65,617.41	5,961.84
Tobacco Settlement Fund	\$0.00	0.00	0.00
State Agency Pool	<u>\$1,496,141.48</u>	<u>1,328,977.26</u>	<u>167,164.22</u>
TOTAL	<u><u>\$4,763,638.27</u></u>	<u><u>\$4,291,122.16</u></u>	<u><u>\$472,516.11</u></u>

Securities lending income is included in the total investment income reported for FY02.

MARKET PERFORMANCE SUMMARY ANALYSIS - ALL INVESTMENTS

Manager/Investment Type	Market Value		Market Return		
	FY01	FY02	FY02	3 Year	5 Year
<u>Domestic Equity</u>					
<u>External Managers</u>					
ICAP	136.06	107.50	(10.34)	(3.83)	3.31
Fayez Sarofim/Nicholas Applegate	121.72	70.37	(36.10)	(15.52)	(2.41)
JP Morgan	81.50	58.48	(19.56)	(11.52)	NA
John McStay		44.88	NA	NA	NA
Gabelli		50.17	NA	NA	NA
Total Domestic Equity	\$339.28	\$331.40			
<u>Domestic Fixed Income</u>					
<u>External Managers</u>					
Criterion	162.89	162.11	7.33	8.13	7.83
Western Asset Management	157.15	157.83	8.02	8.01	7.52
Nicholas Applegate	78.60	60.81	(12.66)	NA	NA
<u>Internally Managed</u>					
Common School	431.96	544.42	9.97	8.29	7.71
Mineral Trust	895.90	922.00	10.92	8.25	7.28
Tobacco Settlement Trust Fund	34.12	30.51	9.98	NA	NA
Workers Compensation	261.61	279.59	8.41	8.15	7.59
State Agency Pool	848.44	1052.05	9.34	7.91	7.13
Total Domestic Fixed Income	\$2,870.67	\$3,209.32			
<u>Cash Management</u>					
<u>External Managers</u>					
Chase & MD Sass Partners/ JP Morgan Fleming Asset Mgmt					
Operating Funds/Short-Term	626.65	573.76	2.68	4.88	5.21
Extended Cash	122.86	130.78	6.44	6.52	6.19
Total Cash Management	\$749.51	\$704.54			
Total Funds	\$3,959.46	\$4,245.26	5.19	5.47	6.16

Benchmarks:

****Wyoming Custom Index	5.30	6.00	6.74
Russell 1000 Growth	(26.49)	(16.15)	(0.28)
Russell 1000 Value	(8.95)	(2.92)	6.53
S&P 500	(17.98)	(9.17)	3.66
Russell 2500 Growth	(25.71)	(6.61)	0.82
Russell 2500 Value	6.59	9.69	9.82
Merrill Lynch Convertible	(6.43)	2.02	6.64
Lehman Aggregate	8.63	8.10	7.57
Lehman Govt/Credit	8.24	7.85	7.47
Lehman Govt/Credit Long	8.31	8.04	8.17
90 Day Treasury Bills	2.66	4.58	4.81

Note: Returns are stated in traditional total return terms and do not specify realized income. The State of Wyoming has the dual goals of maximizing returns while meeting income targets.

****Based on 6/30/02 allocation.

INVESTMENT POLICY & RISK DISCLOSURE

It is the policy of the Wyoming State Treasurer to invest funds in a manner which will provide the highest investment return with maximum security while meeting the daily cash flow demands of the state and conforming to all statutes governing the investment of public funds.

Wyoming legislation provides for prudent investment of state funds and custody requirements for those investments; however, Generally Accepted Accounting Principles require all deposits and investments of any government entity to be categorized according to the associated level of risk. The deposit risk categories and the investment risk categories used on the following page are as follows:

DEPOSITS:

Description: Deposit accounts in banks and savings & loans; such as demand deposits (checking accounts), savings, and TDOA's (time deposit open accounts).

Risk Categories:

Category 1) Deposits that are insured or collateralized with securities held by the state (component unit) or by its agent in the state's (component unit's) name.

Category 2) Deposits that are collateralized with securities held by the pledging financial institution's trust department or agent in the state's (component unit's) name.

Category 3) Deposits that are collateralized with securities held by the pledging financial institution or by its agent but not in the state's (component unit's) name or uncollateralized deposits.

INVESTMENTS:

Description: Securities acquired primarily for the purpose of obtaining income or profit.

Risk Categories:

Category 1) Investments that are insured or registered, or securities held by the state (component unit), or its agent in the state's (component unit's) name.

Category 2) Uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the state's (component unit's) name.

Category 3) Investments that are uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the state's (component unit's) name. (uncollateralized).

INTEREST-BEARING RECEIVABLES:

Description: Program loans authorized by state statute.

Risk Categories:

Interest-bearing receivables are not categorized according to risk.

RISK DISCLOSURE & MARKET VALUE ANALYSIS

June 30, 2002

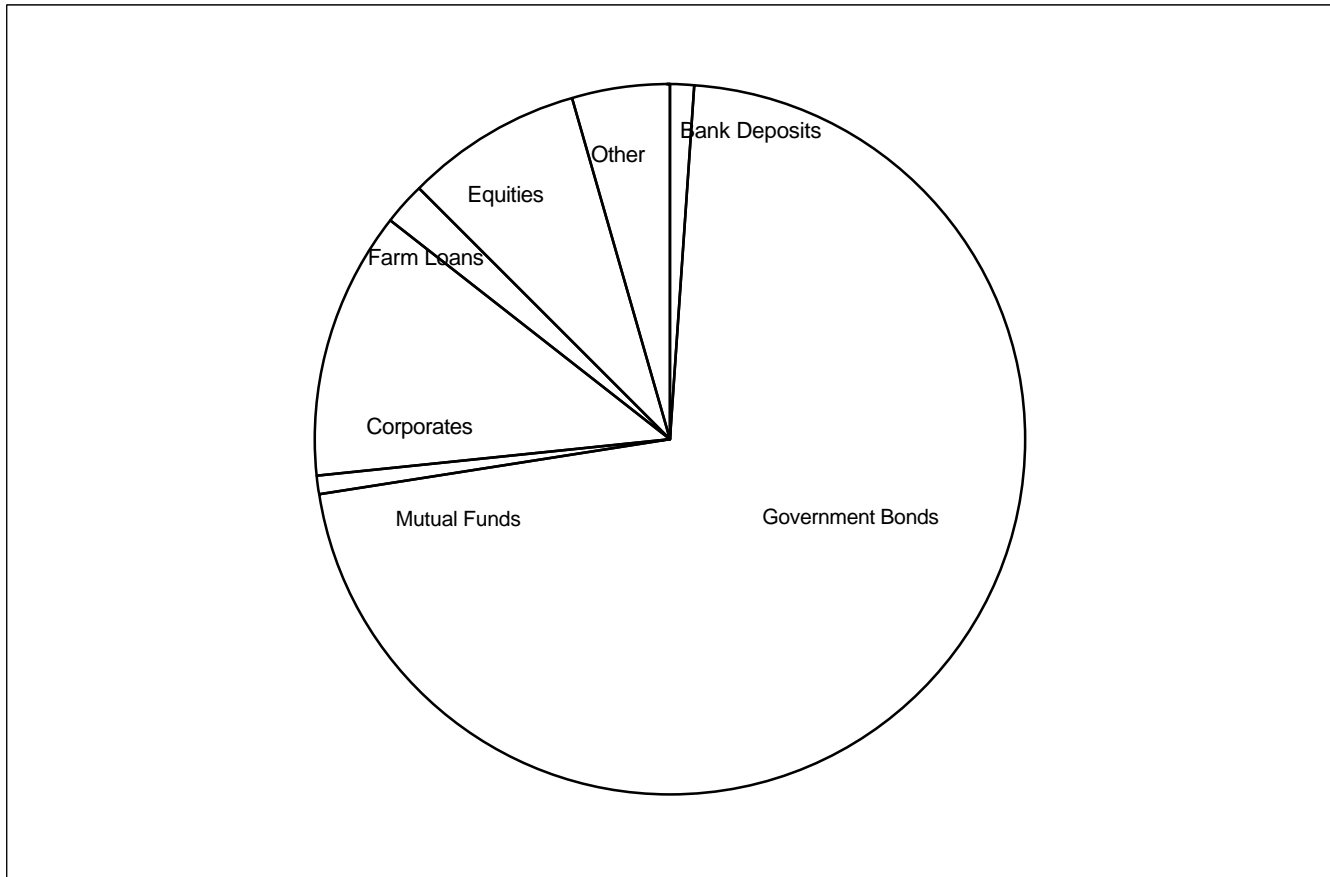
DEPOSITS	DEPOSIT RISK CATEGORY			BANK	CARRIED AT
	1	2	3	balance	amount
Demand Deposits	\$13,502,035.12			\$13,502,035.12	\$13,477,677.58
Investment Accounts			\$8,629,130.70	8,629,130.70	8,629,130.70
TDOA, Bid & Additional Deposits	18,635,000.00	\$18,635,000.00		37,270,000.00	37,270,000.00
TOTAL	\$32,137,035.12	\$18,635,000.00	\$8,629,130.70	\$59,401,165.82	\$59,376,808.28

INVESTMENTS	INVESTMENT RISK @ AMORTIZED COST			CARRIED AT	MARKET
	1	2	3	amount	value
US Government Bonds	\$3,109,597,146.99		\$243,049,194.32	\$3,352,646,341.31	\$3,361,476,161.39
Mortgage Backed Bonds	159,571,981.72			159,571,981.72	163,596,908.64
Mutual Funds	36,774,081.15			36,774,081.15	36,774,081.15
Corporate Securities	578,871,849.80		23,495,972.97	602,367,822.77	551,931,738.65
Commercial Paper	38,930,310.56			38,930,310.56	38,930,310.56
Equities	371,162,744.29		27,063,962.14	398,226,706.43	333,317,230.29
Guaranteed Investment Contracts				55,725,417.42	49,663,550.07
FmHA Agriculture Loans				15,125,377.13	15,125,377.13
Community College Bonds				244,000.00	244,000.00
WCDA Mortgage Bonds				6,664,578.08	6,880,535.21
Small Business Assist				10,649,976.58	10,649,976.58
Student Loans				2,459,671.11	2,459,671.11
TOTAL	\$4,294,908,114.51	\$0.00	\$293,609,129.43	\$4,679,386,264.26	\$4,571,049,540.78

INTEREST-BEARING RECEIVABLES	INVESTMENT RISK CATEGORY @ COST			CARRIED AT	MARKET
	1	2	3	amount	value
City/Town Loans				\$15,022,503.17	\$15,022,503.17
Drainage District Bonds				29,500.00	29,500.00
Farm Loans				104,595,356.81	104,595,356.81
FL Board Loans-Special				507,769.25	507,769.25
Irrigation Loans				12,527,376.61	12,527,376.61
Joint Powers Loans				15,770,477.80	15,770,477.80
Water Development Loans				42,601,394.84	42,601,394.84
TOTAL	\$0.00	\$0.00	\$0.00	\$191,054,378.48	\$191,054,378.48

Note: This report includes Investment Mangers, all Bond Accounts, & WYO-STAR Accounts.

INVESTMENTS BY GENERAL TYPE



Bank Deposits	1.2%	\$59,401,165.82
Government Bonds	71.2%	3,512,218,323.03
Mutual Funds	0.8%	36,774,081.15
Corporates	12.2%	602,367,822.77
Farm Loans	2.1%	105,103,126.06
Equities	8.1%	398,226,706.43
Other	<u>4.4%</u>	<u>215,750,583.30</u>
TOTAL	<u>100%</u>	<u>\$4,929,841,808.56</u>

This analysis includes Treasurer's in-house investments, WYO-STAR, funds with investment managers, and the funds held by fiscal agents. Percentages are calculated based on amortized cost. "Other" investments include Agricultural Loans, Small Business Administration Assistance Loans, Water Development Loans, etc.

INVESTMENT ACCOUNT BALANCES

As Of June 30, 2002

<u>FUND/ACCOUNT NAME</u>	<u>CASH & RECEIVABLES</u>	<u>INVESTMENTS</u>	<u>NET DISC/PERM PURCHASED</u>	<u>ACCOUNT BALANCE (Corpus)</u>
Miner's Hospital	\$23,441,098.65			\$23,441,098.65
Public Buildings At Capitol	161,137.16			161,137.16
Fish Hatchery	219,436.99			219,436.99
Common School	129,505,372.32 *	\$827,282,007.62 ***		956,787,379.94
Common School II	5,000,000.00			5,000,000.00
D.D. & B. Asylum	680,683.04			680,683.04
Carey Act	427,942.79			427,942.79
Omnibus	2,857,749.93			2,857,749.93
State Hospital	1,164,436.31			1,164,436.31
State Training School	394,885.00			394,885.00
Penitentiary	965,659.64			965,659.64
Agricultural College	5,582,700.61			5,582,700.61
University	13,850,927.46			13,850,927.46
Subtotal-Permanent Land Fund	184,252,029.90	827,282,007.62		1,011,534,037.52
Mineral Trust Fund	383,780,441.30	1,580,078,685.84 ***	(\$26,195.73)	1,963,832,931.41
Tobacco Settlement Fund	10,575,631.92	29,484,745.50		40,060,377.42
Subtotal-All Permanent Funds	578,608,103.12	2,436,845,438.96	(26,195.73)	3,015,427,346.35
Worker's Compensation	95,837,189.56	300,598,868.20 ***		396,436,057.76
Water Development	162,362,416.62 **	65,573,946.75 ***		227,936,363.37
TOTAL	\$836,807,709.30	\$2,803,018,253.91	(\$26,195.73)	\$3,639,799,767.48

* Does not include debt service deposit (\$57,984,859.00).

** Includes loans receivable.

*** All or a portion of these funds are now invested by Investment Managers, rather than directly invested by the State Treasurer.

“Cash and Receivables” is actually included with, and part of, the State Agency Pool investments. This investment Pool represents the cash balance of all funds and accounts for which specific investments have not been made. The State Agency Pool investments are not summarized in this report.

PERMANENT LAND FUND: CORPUS

<u>FUND/ACCOUNT NAME</u>	<u>JUNE 30, 2001 CORPUS BALANCE</u>	<u>REVENUE</u>	<u>JUNE 30, 2002 CORPUS BALANCE</u>
<u>L01 MINERS' HOSPITAL</u>			
Beginning Balance	\$22,991,625.14		
Bentonite Lease Royalties		\$43,694.25	
Oil & Gas Lease Royalties		\$46,054.76	
Sodium & Trona Lease Royalties		220,290.00	
Right-of-Way Easements		17,029.80	
Surface Damage		1,060.00	
Real Estate-Sales		638.67	
Inflation Proofing Income Diversion		120,706.03	
		<u>449,473.51</u>	<u>\$23,441,098.65</u>
<u>L02 PUBLIC BUILDINGS AT CAPITOL</u>			
Beginning Balance	\$75,405.45		
Miscellaneous Mineral Lease Royalties		\$400.00	
Oil & Gas Lease Royalties		51,631.23	
Sand & Gravel Royalties		632.53	
Right-of-Way Easements		16,121.17	
Surface Damage		11,556.38	
Real Estate-Sales		4,994.52	
Inflation Proofing Income Diversion		395.88	
		<u>85,731.71</u>	<u>\$161,137.16</u>
<u>L03 FISH HATCHERY</u>			
Beginning Balance	\$218,235.96		
Right-of-Way Easements		\$55.29	
Inflation Proofing Income Diversion		1,145.74	
		<u>1,201.03</u>	<u>\$219,436.99</u>
<u>L04 COMMON SCHOOL (1)(2)</u>			
Beginning Balance	\$925,546,339.73		
Bentonite Lease Royalties		\$117,600.26	
Coal Lease Royalties		1,071,319.49	
Liquidated Damages			
Miscellaneous Mineral Lease Royalties		31,376.16	
Oil & Gas Lease Royalties		22,971,263.43	
Sand & Gravel Royalties		181,989.43	
Sodium & Trona Lease Royalties		1,918,732.33	
Right-of-Way Easements		816,748.42	
Uranium Lease Royalties		15,333.36	
Surface Damage		743,822.31	
Express Pipeline Easement		3,000,000.00	
Real Estate-Sales		372,855.02	
		<u>31,241,040.21</u>	<u>\$956,787,379.94</u>

<u>FUND/ACCOUNT NAME</u>	<u>JUNE 30, 2001 CORPUS BALANCE</u>	<u>REVENUE</u>	<u>JUNE 30, 2002 CORPUS BALANCE</u>
<u>L14 COMMON SCHOOL II (1)(2)</u>			
Beginning Balance	\$5,000,000.00		
No changes to corpus during FY02		\$0.00	
		<u>0.00</u>	<u>\$5,000,000.00</u>
<u>L05 DEAF, DUMB & BLIND</u>			
Beginning Balance	\$671,097.20		
Oil & Gas Lease Royalties		\$1,503.33	
Sand & Gravel Royalties		37.50	
Right-of-Way Easements		2,874.75	
Surface Damage		1,647.00	
Inflation Proofing Income Diversion		<u>3,523.26</u>	
		9,585.84	<u>\$680,683.04</u>
<u>L06 CAREY ACT</u>			
Beginning Balance	\$335,130.33		
Bentonite Lease Royalties		\$22,138.61	
Oil & Gas Lease Royalties		49,770.66	
Right-of-Way Easements		15,908.76	
Surface Damage		3,235.00	
Inflation Proofing Income Diversion		<u>1,759.43</u>	
		92,812.46	<u>\$427,942.79</u>
<u>L07 OMNIBUS</u>			
Beginning Balance	\$1,506,753.39		
Oil & Gas Lease Royalties		\$616,071.60	
Sand & Gravel Royalties		70,714.01	
Right-of-Way Easements		37,110.13	
Surface Damage		68,135.95	
Appropriation Repayment		82.17	
Real Estate-Sales		45,945.64	
Inflation Proofing Income Diversion		7,910.46	
Reimb from State Hospital (1998 Ch 30 Sec 3/048)		500,000.00	
Recovery of Prior Year Expenditures		<u>5,026.58</u>	
		1,350,996.54	<u>\$2,857,749.93</u>
<u>L08 WYOMING STATE HOSPITAL</u>			
Beginning Balance	\$986,726.80		
Oil & Gas Lease Royalties		\$171,270.19	
Right-of-Way Easements		1,259.00	
Inflation Proofing Income Diversion		<u>5,180.32</u>	
		177,709.51	<u>\$1,164,436.31</u>

<u>FUND/ACCOUNT NAME</u>	<u>JUNE 30, 2001 CORPUS BALANCE</u>	<u>REVENUE</u>	<u>JUNE 30, 2002 CORPUS BALANCE</u>
<u>L09 WYOMING STATE TRAINING SCHOOL</u>			
Beginning Balance	\$301,044.60		
Oil & Gas Lease Royalties		\$87,868.76	
Sand & Gravel Royalties		\$731.47	
Surface Damage		\$3,000.00	
Inflation Proofing Income Diversion		1,580.48	
Recovery of Prior Year Expenditures		659.69	
		<u>93,840.40</u>	<u>\$394,885.00</u>
<u>L10 WYOMING STATE PENITENTIARY</u>			
Beginning Balance	\$658,754.46		
Oil & Gas Lease Royalties		\$225,787.46	
Right-of-Way Easements		3,800.81	
Surface Damage		36,775.49	
Real Estate-Sales		147.06	
Inflation Proofing Income Diversion		3,458.46	
Recovery of Prior Year Expenditures		36,935.90	
		<u>306,905.18</u>	<u>\$965,659.64</u>
<u>L11 WYOMING STATE AGRICULTURE COLLEGE (1)</u>			
Beginning Balance	\$5,489,106.54		
Oil & Gas Lease Royalties		\$60,614.22	
Right-of-Way Easements		250.00	
Surface Damage		1,924.00	
Real Estate-Sales		1,988.04	
Inflation Proofing Income Diversion		28,817.81	
		<u>93,594.07</u>	<u>\$5,582,700.61</u>
<u>L12 WYOMING STATE UNIVERSITY (1)</u>			
Beginning Balance	\$13,671,032.56		
Oil & Gas Lease Royalties		\$42,245.58	
Right-of-Way Easements		65,876.40	
Inflation Proofing Income Diversion		71,772.92	
		<u>179,894.90</u>	<u>\$13,850,927.46</u>
NET INCREASE IN CORPUS		<u>\$34,082,785.36</u>	

(1) These funds are not available for appropriation.

(2) Common School PLFund II is listed separately from the "main" fund because the investment income from the first \$5.0 million of the Express Pipeline Easement monies is to go to the Education Trust Fund, rather than to the Common School Income Fund.

Revenue from above "sales" is the principal payment from the sale of state lands and from right-of-ways granted on state lands. "Royalties" is derived from oil and mineral leases on state lands.

PERMANENT WYOMING MINERAL TRUST FUND: CORPUS

	<u>JUNE 30, 2001</u> <u>CORPUS BALANCE</u>	<u>REVENUE</u>	<u>JUNE 30, 2002</u> <u>CORPUS BALANCE</u>
Beginning Balance	\$1,839,665,724.78		
Severance Tax			
Coal		\$23,272,545.10	
Stripper Oil		3,058,649.97	
Other Valuable Deposits		2,267,719.29	
Oil		8,040,815.55	
Gas		34,716,156.48	
Condensate-Gas		2,140,536.90	
Tertiary-Oil		670,783.24	
Wildcat-Oil		0.10	
From General Fund per 2002 Ch 83 Sec320(b)		<u>50,000,000.00</u>	
TOTAL REVENUE ADDED TO CORPUS		<u><u>\$124,167,206.63</u></u>	
			<u><u>\$1,963,832,931.41</u></u>

LEGISLATIVELY DESIGNATED INVESTMENTS

Legislatively Designated Investments are investments of state funds for a specific public purpose, other than investments in accordance with state investment policy under W.S. 9-4-709, 9-4-711 or 9-4-831, which are authorized or directed by the legislature in law. Total LDI investments of permanent funds of the state shall not exceed \$500 million. Prior to the convening of each general session of the legislature, the state treasurer shall, after consultation with the State Loan and Investment Board, recommend to the Select Committee on Capital Financing and Investments whether any adjustment should be made in the limitation. The Treasurer closely monitors the outstanding balances of all LDI's to ensure the statutory limitation is not exceeded. Most LDI's are from the Permanent Mineral Trust Fund.

<u>Program</u>	<u>See Notes next page</u>	<u>Statutory Allotment</u>	<u>Outstanding Investments</u>	<u>Amount Available</u>
Farm Loans	A	\$275,000,000	\$104,595,357	\$ 170,404,643
Irrigation Loans	B	20,000,000	12,527,377	7,472,623
Joint Powers Loans	C	30,000,000	15,770,478	14,229,522
Student Loans	D	25,000,000	2,459,671	22,540,329
Small Business Assistance & FmHA Ag Loans	E	55,000,000	25,775,354	29,224,646
Mortgage Loans	F	10,000,000	0	10,000,000
Hot Springs State Park	G	2,000,000	507,769	1,492,231
Clean Coal Investments	H	20,700,000	20,700,000	0
Shoshone Municipal Pipeline Treatment Plant	I	16,500,000	14,951,169	1,548,831
Sheridan Area Water Treatment Project	J	6,750,000	6,636,226	113,774
Sherard Water Treatment Plant (Cheyenne Water Treatment Plant)	K	28,000,000	21,014,000	6,986,000
Laramie Territorial Park Loan	L	10,000,000	10,000,000	0
Reimbursement to Counties for Deferred Taxes	M	2,000,000	22,503	1,977,497
Industrial Development Bonds	N	100,000,000	5,000,000	95,000,000
		<u>\$600,950,000</u>	<u>\$239,959,903</u>	<u>\$ 360,990,097</u>
		<i>100%</i>	<i>39.93%</i>	<i>60.07%</i>

In addition to the LDI's listed above, the following statutory commitments have been made:

Student Loan Stand-By Commitment	O	175,000,000	0	175,000,000
Wyoming Community Development Authority Mortgage Bonds	P	25,000,000.00	6,664,578.08	0

LEGISLATIVELY DESIGNATED INVESTMENTS - cont'd

NOTES:

- (A) Farm loans under W.S. 11 -34 -129;
- (B) Irrigation district loans under W.S. 11 -34 -301;
- (C) Joint powers loans under W.S. 16 -1 -109;
- (D) W.S. 9 -4 -701(f), student loans;
- (E) W.S. 9 -4 -701(e), guaranteed portion of certain Small Business Assistance Act loans and guaranteed portion of certain Farmers Home Administration loans;
- (F) W.S. 9 -4 -701(d), mortgage loans;
- (G) Hot Springs state park loans under W.S. 36 -8 -318;
- (H) W.S. 9 -4 -701(a)(iv)(C), clean coal technology;
- (I) Shoshone municipal water treatment project under 1987 Wyoming Session Laws, chapter 117, as amended;
- (J) Sheridan area water treatment project under 1989 Wyoming Session Laws, chapter 230, as amended;
- (K) Cheyenne water plant project under 1998 Wyoming Sessions Laws, chapter 104, as amended.
- (L) Laramie territorial park under 1989 Wyoming Session Laws, chapter 285, as amended;
- (M) W.S. 9 -4 -701(m), deferred property taxes;
- (N) W.S. 9 -4 -701(q), industrial development bonds;
- (O) W.S. 21-16-714, Student Loan Stand-By Commitment. This would be an investment only if it were needed to cover a default in the Student Loan Program. There has been no such incident since the legislation was established. The current outstanding commitment is \$161.0 million.
- (P) Purchase of up to \$100 million WCDA bonds was authorized from the Common School Permanent Land Fund; however, the authorization period ended with only \$25 million actually used.

FEDERAL MINERAL ROYALTY DISTRIBUTION

	UNDER 200 MILLION %	SEPT 15, 2001 FY01 ADJUSTMENTS	OVER 200 MILLION DIST FY01	DISTRIBUTIONS MADE IN FY 02	SEPT 15, 2002 FY 02 ADJUSTMENTS	OVER 200 MILLION %	AMOUNT INCL IN CREG ESTM. PAYMTS.	OVER 200 MILLION DIST FY02	TOTAL FY02 ROYALTY MONEY DISTRIBUTED
Cities & Towns	9.375%	\$0.00	\$2,278,138.35	\$20,840,638.35	\$0.00			\$0.00	\$18,562,500.00
University Of Wyoming	6.750%	0.00	3,280,519.22	30,047,913.61	669,537.94			0.00	\$27,436,932.33
University Of Wyoming		0.00	14,071,932.33	0.00	0.00			0.00	(\$14,071,932.33)
Foundation Fund	44.800%	3,002,411.84	0.00	126,087,411.84	(283,828.05)	33.34%	(18,296,000.00)	23,922,062.33	\$128,427,234.28
Capitol Fac Rev Bds Series 1992		0.00	0.00	2,035,000.00	0.00			0.00	\$2,035,000.00
Capitol Fac Rev Bds Series 1993		0.00	0.00	150,000.00	0.00			0.00	\$150,000.00
Capitol Fac Rev Bds Series 1994		0.00	0.00	1,730,000.00	0.00			0.00	\$1,730,000.00
Highway Fund	30.375%	(18,835,977.83)	18,835,977.83	29,887,579.28	3,296,748.77			0.00	\$33,184,328.05
Highway Trust Fund			0.00	7,242,000.00	0.00				\$7,242,000.00
Highway Fund State Roads	2.250%	(1,093,506.41)	1,093,506.41	4,231,820.68	223,179.32			0.00	\$4,455,000.00
Cities, Counties & Special Districts Capital Const.	3.750%	0.00	1,822,510.68	9,247,510.68	0.00			0.00	\$7,425,000.00
School Districts Grants	2.700%	0.00	1,312,207.69	6,390,392.51	267,815.18			0.00	\$5,346,000.00
Municipal Rainy Day Account		0.00	20,503,245.15	20,503,245.15	0.00			0.00	\$0.00
Legislative Government Royalty Impact 1% General Fund		0.00	127,575,747.62	127,575,747.62	189,807.26				\$2,000,000.00
Budget Reserve Account					0.00	66.66%		47,829,774.28	\$47,829,774.28
TOTAL	100.00%	(\$16,927,072.40)	\$190,773,785.28	\$387,869,066.98	\$4,273,645.90		(\$18,296,000.00)	\$71,751,836.61	\$271,751,836.61
Bonus Payments									
Cities, Counties & Special Districts Capital Const.	37.500%	0.00	0.00	5,625,000.00	0.00			0.00	5,625,000.00
School Capitol Construction		0.00	0.00	67,797,236.00	0.00			0.00	67,797,236.00
Legislative Royalty Impact	40.000%	0.00	0.00	0.00	0.00			0.00	0.00
Community College Commission	10.000%	0.00	0.00	1,600,000.00	0.00			0.00	1,600,000.00
Highway Funds	12.500%	0.00	0.00	1,875,000.00				0.00	1,875,000.00
TOTAL	100.00%	\$0.00	\$0.00	\$76,897,236.00				\$0.00	\$76,897,236.00
GRAND TOTAL		(16,927,072.40)	190,773,785.28	464,766,302.98	4,273,645.90		(18,296,000.00)	71,751,836.61	348,649,072.61

Notes: Distribution FY02, less FY01 Over 200 Million, less FY01 adjustments plus FY02 "over 200 million" plus FY02 adjustments = Total FY02 royalty money distributed.
The "over 200 million FY 02" distribution was completed 9/02.
Mineral Royalties are distributed quarterly to Cities & Towns & quarterly to State Agencies & monthly to the Foundation Fund.
Distributions are based on estimated income determined by the Consensus Revenue Estimating Group (CREG). In September of each year, adjustments are made to reflect actual receipts.
The Foundation Fund includes \$19,716,171.95 diverted from the Highway Fund.

DISTRIBUTIONS TO COUNTIES

COUNTIES	RAILROAD CAR TAX W.S.39-13-103	VETERANS' EXEMPTION W.S.39-13-105	US FOREST RESERVE W.S. 39-4-501	TAYLOR GRAZING ACT W.S. 9-4-401	SEVERANCE TAX DISTRIBUTION W.S. 39-14-211	LIVESTOCK PREDATORY ANIMAL CONTROL FEES W.S. 11-6-210	INDIAN EXEMPTION	TOTAL
Albany	\$181,771.00	\$39,626.01	\$171,298.29	\$33,912.43	\$527,549.70	\$18,050.16	0.0	\$972,207.59
Big Horn	66,519.00	21,241.24	92,183.00	9,871.63	188,862.61	14,034.74	0.0	392,712.22
Campbell	190,299.00	28,472.36	0.00	41,994.31	555,299.94	29,661.04	0.0	845,726.65
Carbon	160,085.00	19,661.57	285,767.29	41,404.90	257,710.73	27,394.55	0.0	792,024.04
Converse	235,863.00	20,804.34	34,036.80	19,205.19	198,601.53	34,012.46	0.0	542,523.32
Crook	20,955.00	17,952.10	426,906.56	11,801.95	97,010.24	24,637.61	0.0	599,263.46
Fremont	42,153.00	64,851.73	116,798.88	32,304.09	590,004.13	36,733.32	\$142,365.35	1,025,210.50
Goshen	164,715.00	27,326.29	0.00	3,712.12	206,610.10	14,984.55	0.00	417,348.06
Hot Springs	26,559.00	23,097.04	6,078.00	10,630.79	80,449.11	6,542.07	341.85	153,697.86
Johnson	0.00	24,962.22	85,801.10	47,700.34	116,586.96	37,907.21	0.00	312,957.83
Laramie	284,352.00	239,462.00	0.00	1,159.14	1,344,778.95	10,648.67	0.00	1,880,400.76
Lincoln	97,952.00	17,911.98	152,051.26	11,603.97	240,144.41	32,119.60	0.00	551,783.22
Natrona	74,317.00	138,344.73	2,532.50	110,190.87	1,096,378.70	24,111.49	0.00	1,445,875.29
Niobrara	78,215.00	4,067.00	0.00	19,524.85	39,664.28	16,445.39	0.00	157,916.52
Park	41,910.00	43,300.37	199,560.98	26,546.10	424,920.32	21,397.81	0.00	757,635.58
Platte	101,606.00	28,163.09	506.50	10,092.50	145,128.12	13,369.70	0.00	298,865.91
Sheridan	94,540.00	73,917.08	81,031.39	5,131.20	437,674.83	18,772.61	0.00	711,067.11
Sublette	0.00	12,118.46	187,202.37	13,390.68	97,554.01	15,085.25	0.00	325,350.77
Sweetwater	311,398.00	44,494.33	21,070.40	58,156.59	619,814.13	11,285.57	0.00	1,066,219.02
Teton	0.00	14,596.12	276,852.86	210.15	300,753.12	0.00	0.00	592,412.25
Uinta	138,156.00	23,376.65	16,106.70	8,431.26	325,322.90	26,816.62	0.00	538,210.13
Washakie	24,366.00	16,041.64	9,420.90	11,137.43	136,592.12	17,776.79	0.00	215,334.88
Weston	100,875.00	19,274.39	18,943.10	11,015.77	109,484.64	10,711.32	0.00	270,304.22
GRAND TOTAL	\$2,436,606.00	\$963,062.74	\$2,184,148.88	\$539,128.26	\$8,136,895.58	\$462,498.53	\$142,707.20	\$14,865,047.19

DISTRIBUTIONS TO CITIES & TOWNS

<u>CITY/TOWN</u>	<u>POPULATION</u>	<u>SEVERANCE TAX W.S. 39-6-305</u>	<u>FEDERAL MINERAL ROYALTY W.S. 9-4-601</u>	<u>POLICE OFFICERS' RETIREMENT W.S. 15-5-302</u>	<u>MUNICIPAL MINERAL TRUST INTEREST W.S. 39-6-308</u>	<u>TOTAL</u>
Afton	1,394	\$97,095.05	\$195,585.62	\$0.00	\$275,149.96	\$567,830.63
Albin	120	6,408.92	18,648.05	0.00	117,267.01	142,323.98
Alpine	200	29,374.20	69,632.62	0.00	157,249.15	256,255.97
Baggs	272	18,585.86	30,893.95	0.00	138,466.85	187,946.66
Bairoil	228	5,180.54	17,290.97	0.00	115,128.44	137,599.95
Bar Nunn	835	49,989.53	57,603.83	0.00	193,140.07	300,733.43
Basin	1,180	66,118.64	105,045.83	0.00	221,220.58	392,385.05
Bear River	441	23,552.77	45,972.50	0.00	147,114.16	216,639.43
Big Piney	454	21,790.32	57,118.04	0.00	144,045.76	222,954.12
Buffalo	3,601	208,289.73	280,082.61	0.00	468,737.90	957,110.24
Burlington	184	13,351.91	30,183.73	0.00	129,354.64	172,890.28
Burns	254	15,221.17	27,789.18	0.00	132,609.00	175,619.35
Byron	470	29,748.04	55,513.36	0.00	157,900.03	243,161.43
Casper	46,765	2,651,367.93	2,274,641.09	256,700.00	4,722,093.43	9,904,802.45
Cheyenne	50,008	2,831,191.39	2,951,842.02	0.00	5,035,162.85	10,818,196.26
Chugwater	192	13,031.47	28,971.72	0.00	128,796.75	170,799.94
Clearmont	119	6,141.87	18,074.83	0.00	116,802.11	141,018.81
Cody	7,897	471,856.33	580,844.64	0.00	927,602.66	1,980,303.63
Cokeville	493	27,024.24	65,262.00	0.00	153,157.96	245,444.20
Cowley	500	29,908.27	55,731.56	0.00	158,178.97	243,818.80
Dayton	592	36,210.38	50,815.05	0.00	169,150.82	256,176.25
Deaver	199	9,453.16	24,874.09	0.00	122,566.97	156,894.22
Diamondville	864	38,239.88	86,121.74	0.00	172,684.11	297,045.73
Dixon	70	4,219.20	15,608.10	0.00	113,454.77	133,282.07
Douglas	5,076	282,419.50	376,067.38	0.00	597,796.51	1,256,283.39
Dubois	895	51,378.14	92,511.54	0.00	195,557.62	339,447.30
East Thermopolis	221	14,633.68	25,650.66	0.00	131,586.20	171,870.54
Edgerton	247	9,025.90	19,692.34	0.00	121,823.12	150,541.36
Elk Mountain	186	10,254.26	20,769.07	0.00	123,961.70	154,985.03
Encampment	490	23,659.57	35,232.81	0.00	147,300.11	206,192.49
Evanston	10,904	614,561.50	823,164.43	0.00	1,176,049.81	2,613,775.74
Evansville	1,403	120,434.19	117,640.62	0.00	315,782.97	553,857.78
Fort Laramie	243	12,978.05	27,364.14	0.00	128,703.76	169,045.95
Frannie	148	11,162.20	26,949.59	0.00	125,542.41	163,654.20
Gillette	17,545	1,049,246.12	1,522,512.61	0.00	1,932,827.97	4,504,586.70

<u>CITY/TOWN</u>	<u>POPULATION</u>	SEVERANCE TAX W.S. 39-6-305	FEDERAL MINERAL ROYALTY W.S. 9-4-601	POLICE OFFICERS' RETIREMENT W.S. 15-5-302	MUNICIPAL MINERAL TRUST INTEREST W.S. 39-6-308	TOTAL
Glendo	195	12,230.36	27,928.33	0.00	127,402.03	167,560.72
Glenrock	2,153	119,152.40	167,333.82	0.00	313,551.41	600,037.63
Granger	126	7,797.51	19,963.74	0.00	119,684.55	147,445.80
Green River	12,711	630,637.19	659,080.17	0.00	1,204,037.30	2,493,754.66
Greybull	1,789	96,934.83	147,013.89	0.00	274,871.02	518,819.74
Guernsey	1,155	61,258.54	94,780.84	0.00	212,759.24	368,798.62
Hanna	1,076	46,624.86	54,871.87	0.00	187,282.24	288,778.97
Hartville	78	4,058.99	17,286.27	0.00	113,175.83	134,521.09
Hudson	392	21,736.90	47,793.34	0.00	143,952.77	213,483.01
Hulett	429	21,790.32	55,257.60	0.00	144,045.75	221,093.67
Jackson	4,708	461,815.71	497,535.11	0.00	910,122.12	1,869,472.94
Kaycee	256	13,298.50	28,924.51	0.00	129,261.66	171,484.67
Kemmerer	3,020	141,583.60	278,329.21	0.00	352,603.73	772,516.54
Kirby	59	3,044.23	14,839.74	0.00	111,409.17	129,293.14
La Barge	493	23,018.67	57,812.11	0.00	146,184.33	227,015.11
La Grange	224	17,731.33	35,991.35	0.00	136,979.16	190,701.84
Lander	7,023	366,750.14	568,296.85	0.00	744,614.64	1,679,661.63
Laramie	26,687	1,452,900.79	832,240.63	76,000.00	2,635,583.76	4,996,725.18
Lingle	473	27,237.90	47,245.75	0.00	153,529.88	228,013.53
Lost Springs	4	53.42	12,068.28	0.00	106,202.19	118,323.89
Lovell	2,131	123,524.88	183,318.15	0.00	318,200.50	625,043.53
Lusk	1,504	77,280.81	106,670.14	0.00	240,653.75	424,604.70
Lyman	1,896	103,503.97	148,160.67	0.00	286,307.79	537,972.43
Manderson	83	5,554.39	19,564.44	0.00	115,779.31	140,898.14
Manville	97	5,394.16	18,398.54	0.00	115,500.36	139,293.06
Marbleton	634	38,453.49	89,325.90	0.00	173,056.05	300,835.44
Medicine Bow	389	14,633.68	24,514.21	0.00	131,586.20	170,734.09
Meeteetse	386	18,746.07	37,480.09	0.00	138,745.79	194,971.95
Midwest	495	21,790.32	33,570.90	0.00	144,045.75	199,406.97
Mills	1,583	138,379.15	132,934.30	0.00	347,024.83	618,338.28
Moorcroft	768	43,099.96	94,627.13	0.00	181,145.45	318,872.54
Mountain View	1,189	61,578.98	98,506.34	0.00	213,317.15	373,402.47
Newcastle	3,028	163,694.36	223,097.19	0.00	391,098.19	777,889.74
Opal	95	5,447.58	22,131.86	0.00	115,593.34	143,172.78
Pavillion	126	8,812.25	25,294.58	0.00	121,451.18	155,558.01
Pine Bluffs	1,054	61,578.98	78,876.91	0.00	213,317.13	353,773.02
Pine Haven	141	11,856.50	33,904.85	0.00	126,751.15	172,512.50
Pinedale	1,181	75,411.56	160,761.37	0.00	237,399.40	473,572.33
Powell	5,292	286,959.13	359,118.08	0.00	605,699.96	1,251,777.17

<u>CITY/TOWN</u>	<u>POPULATION</u>	SEVERANCE TAX W.S. 39-6-305	FEDERAL MINERAL ROYALTY W.S. 9-4-601	POLICE OFFICERS' RETIREMENT W.S. 15-5-302	MUNICIPAL MINERAL TRUST INTEREST W.S. 39-6-308	TOTAL
Ranchester	676	37,438.73	52,030.02	0.00	171,289.40	260,758.15
Rawlins	9,380	465,951.54	413,683.39	40,000.00	899,987.08	1,819,622.01
Riverside	85	3,151.04	14,694.66	0.00	111,595.13	129,440.83
Riverton	9,202	497,224.94	765,137.42	0.00	971,768.96	2,234,131.32
Rock River	190	12,550.81	19,059.69	0.00	127,959.96	159,570.46
Rock Springs	19,050	999,149.77	1,035,448.16	0.00	1,845,611.14	3,880,209.07
Rolling Hills	330	23,980.02	45,657.94	0.00	147,858.00	217,495.96
Saratoga	1,969	92,181.53	93,830.32	0.00	266,595.66	452,607.51
Sheridan	13,904	844,054.04	849,839.61	0.00	1,575,592.23	3,269,485.88
Shoshoni	497	33,913.84	66,164.04	0.00	165,152.59	265,230.47
Sinclair	500	22,591.43	34,319.37	0.00	145,440.48	202,351.28
Superior	273	13,031.47	25,309.25	0.00	128,796.77	167,137.49
Sundance	1,139	62,006.25	129,556.51	0.00	214,060.99	405,623.75
Ten Sleep	311	16,235.91	31,915.14	0.00	134,375.68	182,526.73
Thayne	267	18,211.99	48,872.23	0.00	137,815.96	204,900.18
Thermopolis	3,247	169,408.97	173,028.78	0.00	401,047.20	743,484.95
Torrington	5,651	308,482.41	380,199.02	0.00	643,171.59	1,331,853.02
Upton	980	46,571.44	74,204.17	0.00	187,189.28	307,964.89
Van Tassell	8	961.35	13,140.35	0.00	107,782.88	121,884.58
Wamsutter	240	13,939.39	26,236.53	0.00	130,377.46	170,553.38
Wheatland	3,271	189,490.25	261,785.03	0.00	436,008.34	887,283.62
Worland	5,742	280,390.02	358,929.51	0.00	594,263.23	1,233,582.76
Wright	1,236	71,940.07	118,360.47	0.00	231,355.58	421,656.12
Yoder	136	9,025.90	22,685.37	0.00	121,823.10	153,534.37
GRAND TOTALS	318,097	\$17,930,343.43	\$20,840,638.36	\$372,700.00	\$41,594,811.88	\$80,738,493.67

Distribution Dates:

Severance Tax: Quarterly
Federal Mineral Royalty: Quarterly
Police Officers' Retirement: July
Municipal Mineral Trust: July

WYO-STAR

WYOMING STATE TREASURER'S ASSET RESERVE

In 1987 the Wyoming State Legislature authorized any county, municipality, school district or any other local government entity to participate in the WYO-STAR program (W.S. 9-1-416).

The Wyoming State Treasurer established an investment pool or common fund in which all monies are commingled for investment purposes. Each participant has an individual interest in the pool based on the ratio of that participant's cash balance as a percentage of the total cash balance of the pool. Separate accounts are maintained for each political entity. All investments conform to the statute covering the State Treasurer's other investments (W.S. 9-4-831).

Due to the merger between Chase and J. P. Morgan, Chase Manhattan and M. D. Sass Investor Services dissolved Chase and M.D. Sass Partners during the first quarter of 2001. J. P. Morgan Fleming Asset Management assumed responsibility of the management of the WYO-STAR portfolio. Safety of principal is always the foremost objective of the investment manager. Liquidity being the second objective, WYO-STAR continues to guarantee the return of funds on a 24-hour notice.

During FY97 WYO-STAR rules were amended to allow income to be distributed to participants on a monthly basis. Also, ACH (automated clearing house) has replaced wire transfer in returning participants' funds. Timeliness and cost savings prompted this change.

WYO-STAR investments, conformance to state statutes, and manager performance are reviewed quarterly by the consultant R.V. Kuhns & Associates, Inc. hired by the State Loan and Investment Board. This board is made up of the five elected officials, the Governor, Secretary of State, Auditor, Treasurer and Superintendent of Public Instruction.

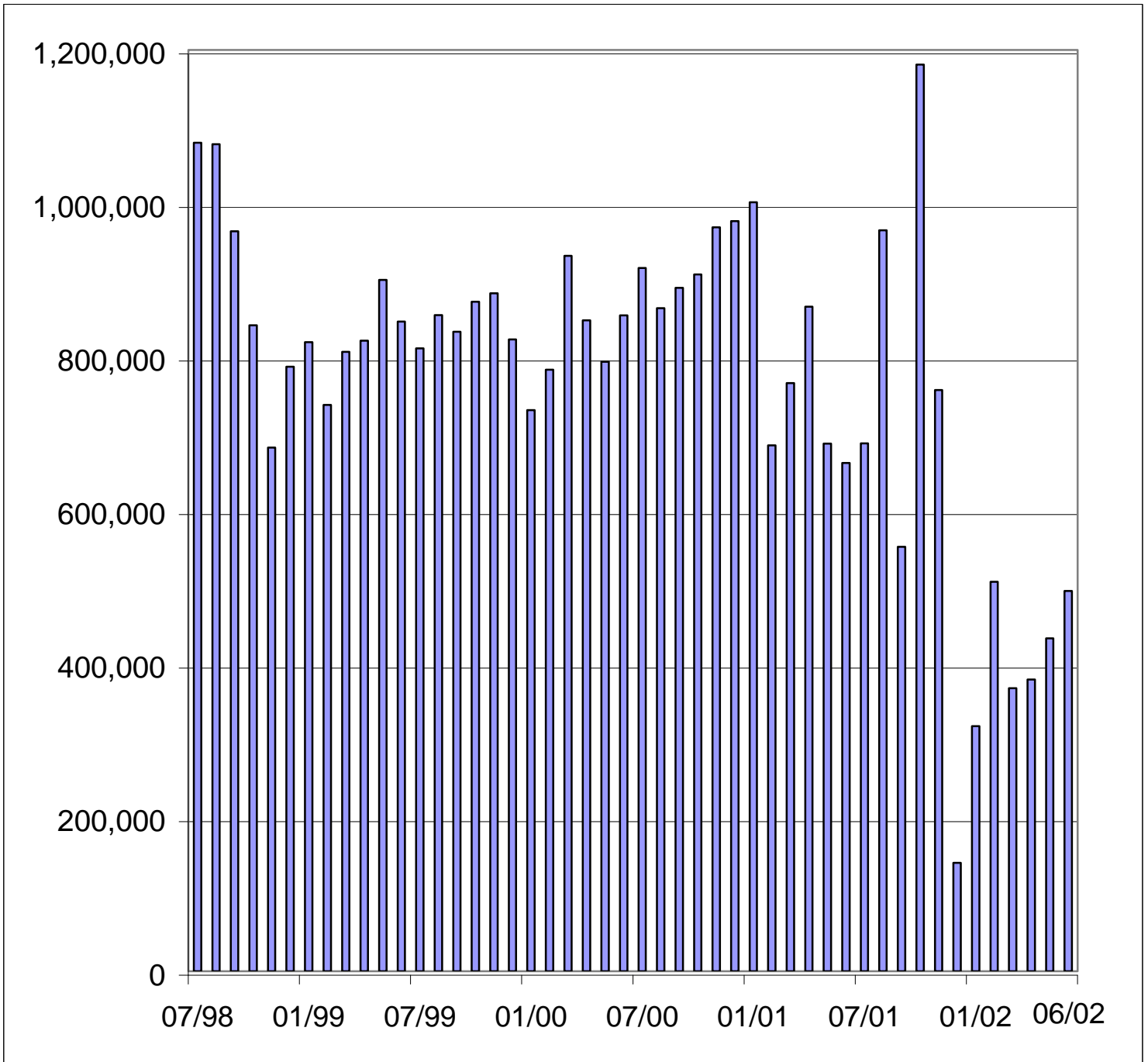
WYO-STAR yields realized in FY02 are as follows:

07/01	4.403%	01/02	1.710%
08/01	6.276%	02/02	3.115%
09/01	3.648%	03/02	2.055%
10/01	7.306%	04/02	2.202%
11/01	4.272%	05/02	2.270%
12/01	0.753%	06/02	2.707%

The annualized yield for FY02 was 3.38%.

As of June 30, 2002, there were 136 active participants. (Some participants have multiple accounts). WYO-STAR pool balance on June 30, 2002, was \$212,409,641.36. Participants earned \$6,748,881.11 in FY02.

CASH MANAGEMENT NET INCOME WYO-STAR



WYOMING UNIFORM UNCLAIMED PROPERTY ACT

During Fiscal Year 2002, funds totaling approximately \$3.5 million were received and deposited into the trust fund to be held in perpetuity for the owners. More than \$1.9 million was returned to the rightful owners or heirs. Interest income totaling more than \$677,000 was generated in FY02, of which \$96,439 was transferred to the General Fund. The remaining seed money to establish the division was paid in full to the General Fund at the end of FY00. The Unclaimed Property Division is totally self-supporting.

The Unclaimed Property Division is responsible for receiving unclaimed funds from any entity that cannot locate the owner. Approximately 5,200 packets were mailed to such entities requesting the return of Wyoming residents' funds. Upon receipt of these funds, the division attempts to locate the owners and reunite the rightful owner/heir with their property by advertising the names in one or more papers of general circulation once a year. The division is also in contact with other states to bring Wyoming residents' unclaimed funds back to Wyoming.

The division is also charged with: (1) assisting and educating unclaimed property holders of compliance; (2) informing vendors of requirements; and (3) informing claimants of their rights and responsibilities. In FY02, numerous claimants were instructed on how to claim their funds. An alphabetical list of owners is mailed each month to Wyoming county clerks.

The unclaimed funds listing is available for public inspection after the funds have been held for two years. This two-year period allows for the advertising of the funds and for the owner to come forth. If the owner fails to come forth within the two-year period, the names are then made public. Third-party tracers (heirfinders) are then given access to records to allow them to attempt to locate the owners. Heirfinders charge the owners a percentage of the funds as their fee.

The Unclaimed Property Division maintains the records for more than 93,400 owners and more than \$24.4 million. The division has returned approximately \$10.2 million to owners or heirs. A large part of this return was due to the annual advertisement which generated more than 1,200 telephone calls in a ten-day period. In FY02, approximately \$412,000 was returned to 49 states of the owner's last known address in accordance with the 1965 U.S. Supreme Court decision Texas v. New Jersey.

In FY02 several major goals and accomplishments were achieved:

1. Newspaper advertisement - resulting in approximately 1,500 claims.
2. Unclaimed property information was disseminated to all state legislators.
3. Followup project to remind owners who have not finalized the claim process.
4. Payments to claimants increased 64% over FY01.
5. Reporting Unclaimed Property brochure was mailed to holders.
6. Minerals Proceeds Brochure developed.
7. Unclaimed property brochures were included with State employees' pay checks.
8. The list on the Internet continued to generate numerous claims.

Unclaimed property owner information and lists were requested by 32 heirfinders located in 17 states. Written inquiries from persons seeking their possible unclaimed funds totaled 4,426 and were received from 43 states and several foreign countries. Internet inquiries on the Wyoming Unclaimed Property Website totaled 332,859. In addition, numerous telephone inquiries are received daily.

WYOMING UNIFORM UNCLAIMED PROPERTY ACT

<u>FISCAL YEAR</u>	<u>BEGINNING BALANCE</u>	<u>RECEIVED</u>	<u>DISBURSED</u>	TRANSFERRED TO COMMON SCHOOL PERMANENT LAND FUND *	<u>ENDING BALANCE</u>
FY 82	\$340,921.02	\$272,408.86	\$98,857.76	\$56,279.50	\$458,192.62
FY 83	458,192.62	40,309.15	25,350.65	37,194.58	435,956.54
FY 84	435,956.54	61,963.60	93,589.29	16,937.42	387,393.43
FY 85	387,393.43	47,472.14	101,321.02	49,968.22	283,576.33
FY 86	283,576.33	269,438.08	28,044.24	83,399.72	441,570.45
FY 87	441,570.45	160,250.59	34,181.84	64,240.20	503,399.00
FY 88	503,399.00	158,444.52	45,714.55	39,438.64	576,690.33
FY 89	576,690.33	181,276.90	76,462.16	38,075.60	643,429.47
FY 90	643,429.47	252,858.09	96,746.71	27,116.14	772,424.71
FY 91	772,424.71	191,102.86	130,627.04	218,847.68	614,052.85
FY 92	614,052.85	428,432.95	101,327.17	76,218.30	864,940.33
FY 93	864,940.33	298,531.97	160,017.21	102,307.91	901,147.18
FY 94	901,147.18	4,051,549.91	160,105.04	124,876.64	4,667,715.41
FY 95	4,667,715.41	1,639,708.30	760,996.09	0.00	5,546,427.62
FY 96	5,546,427.62	2,219,667.05	1,303,951.21	0.00	6,462,143.46
FY 97	6,462,143.46	1,902,193.42	1,486,211.28	0.00	6,878,125.60
FY 98	6,878,125.60	2,060,174.91	902,332.35	0.00	8,035,968.16
FY 99	8,035,968.16	3,648,277.24	1,513,694.11	0.00	10,170,551.29
FY 00	10,170,551.29	1,975,557.85	1,274,918.31	0.00	10,871,190.83
FY01	10,871,190.83	2,763,717.84	1,050,831.89	0.00	12,584,076.78
FY02	12,584,076.78	3,489,779.83	1,917,521.28	0.00	14,156,335.33

NOTES:

*Up to March 11, 1993, unclaimed funds remitted to the state were held for a five-year period. If the funds were not claimed within that time, they escheated to the Common School Permanent Land Fund.

On March 11, 1993, Governor Sullivan signed the Wyoming Uniform Unclaimed Property Act into law. Under the new law, unclaimed property is no longer transferred to the Permanent School Land Fund. This law provides for unclaimed funds to be held in perpetuity for the rightful owners or their heirs.

CAPITAL FACILITIES REVENUE BONDS

Wyoming Statute 9-4-605 authorized up to \$105 million in revenue bonds for capital construction purposes. Funds for the principal & interest on these bonds is restricted to the federal mineral royalties distributed to the school foundation program or to the highway construction funds.

<u>SERIES</u>	<u>AMOUNT ISSUED</u>	<u>INTEREST RANGE %</u>	<u>BONDS OUTSTANDING JULY 1, 2001</u>	<u>PRINCIPAL PAYMENTS FY02</u>	<u>YEAR OF MATURITY</u>	<u>BALANCE JUNE 30, 2002</u>
1992	\$28,750,000	3.0-6.25	\$24,025,000	\$685,000	(2021)	\$23,340,000
1993	8,777,522	4.1-6.2	8,627,522	25,000	(2022)	8,602,522
1994	27,395,897	4.1-6.3	25,670,896	335,000	(2024)	<u>25,335,897</u>
Total Outstanding Revenue Bonds						<u><u>\$57,278,419</u></u>

Future minimum payments for revenue bonds are as follows:

FISCAL YEAR ENDED

<u>JUNE 30</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2003	1,105,000	2,847,490
2004	1,585,000	2,772,872
2005	2,400,530	3,998,333
2006	2,345,367	4,050,766
2007	2,570,940	4,151,175
2008-2012	13,036,582	20,377,377
2013-2017	11,230,000	8,610,166
2018-2022	13,010,000	4,906,050
2022-2024	9,995,000	3,716,547

Prior Year Defeasance of Debt:

In prior years, the state of Wyoming defeased certain revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets & liability for the defeased bonds are not included in this financial statement. As of June 30, 2002, only \$5.0 million of the defeased 1991 issue remained outstanding.

New Issues:

On June 20, 2002, the State Loan & Investment Board approved the Series 2002 Refunding Bonds for the purpose of refunding a portion (\$10,150,000) of the Series 1992 Refunding Bonds, specifically those maturing on October 1, 2003 through and including October 1, 2012. Those bonds not refunded are non-callable bonds due 2013 through and including 2020 (\$13,190,000). The Series 2002 Refunding Bonds were issued August, 2002.

SCHOOL DISTRICT BOND GUARANTEE PROGRAM

Wyoming Statute 9-4-1001 authorizes the State Loan & Investment Board to guarantee school district general obligation bonds issued under W.S. 21-13-701 through 21-13-721. However, the 2002 Legislature closed the state guarantee for future issues, except for the refunding of bonds issued on or before November 1, 2001.

The State Treasurer is authorized to pledge up to \$300 million from the Common School Permanent Land Fund to guarantee the school district bonds. If a district fails to deposit sufficient debt service monies with the State Treasurer, funds will be advanced from the Common School Permanent Land Fund. Repayment to the Common School Permanent Land Fund will be made from the district's next payments from the School Capital Construction Account and the School Foundation Fund.

As of June 30, 2002, the State Loan & Investment Board had approved guaranteeing school district bond issues with original amounts totaling \$122,984,000. Of these, one issue of \$8.0 million has been refunded, one issue for \$5.0 million was called, and \$88.19 million is still outstanding.

LOCAL GOVERNMENT BOND GUARANTEE PROGRAM

Wyoming Statute 9-4-1002 authorizes the State Loan & Investment Board to guarantee local government general obligation bonds issued under W.S. 15-7-101 through 15-7-114 or 18-4-301. The program is intended to benefit local governments by guaranteeing payment of bonded indebtedness of creditworthy cities, towns and counties by reducing the interest rate at which the bonds may be issued.

The State Treasurer is authorized to pledge up to \$100 million from the Permanent Mineral Trust Fund to guarantee the local government bonds. If a government fails to deposit sufficient debt service monies with the State Treasurer, funds will be advanced from the Permanent Mineral Trust Fund to make the required payments. Repayment to the Permanent Mineral Trust Fund will be made from the government's next payments of federal mineral royalties and severance tax.

As of June 30, 2002, the State Loan & Investment Board had not approved any local government bond issues for the guarantee program.

WYOMING COLLEGE ACHIEVEMENT PLAN

In response to legislation (W.S. 21-16-809 through 21-16-818) effective March 2000, the State Treasurer's Office, as Program Administrator, launched the State of Wyoming College Achievement Plan in May 2000. This college savings program was designed to comply with the requirements for treatment as a "qualified tuition program" under Section 529 of the Internal Revenue Code to assist Wyoming citizens in financing higher education costs for their families.

The program is available for participation by any U.S. resident, and accounts can be set up for the contributor, their spouses, children, grandchildren, nieces, nephews, friends, etc. to be used at any accredited college or vocational institution in the country, public or private, that is eligible to participate in student financial aid programs. Accounts can be established with a minimum initial investment of \$250 by Wyoming residents (\$1,000 by non-residents). Additional contributions of at least \$50 can be made to accounts monthly or at any other interval. If the need arises, account beneficiaries can be changed to another family member.

Contributions are invested in one of several investment options, selected by the participant, each holding a different mix of stocks, bonds and/or money market mutual funds managed by Mercury Funds and MFS Investment Management. Contributions grow federal income tax free. Prior to January 2, 2002, the earnings attributed to a beneficiary's account were subject to income tax upon withdrawal. Effective January 1, 2002, qualified withdrawals are tax free for both contributor and beneficiary.

State statutes (21-16-811) establish the Wyoming Family College Savings Program Trust with the State Treasurer as sole trustee, with assets being held in trust for account owners and designated beneficiaries. Mercury Asset Management, a subsidiary of Merrill Lynch, serves as Program Manager by providing certain administrative, record keeping, investment advisory services and marketing services for the Program. During fiscal year 2002, Mercury Funds partnered with MFS Investment Management to become a national distributor of the College Achievement Plan. In addition, Mercury Funds has entered into selling agreements with thirty-three broker/dealers who are now authorized to sell the 529 College Achievement Plan to prospective participants.

Overview, explanations, forms and additional information about the program are available on the Internet at www.collegeachievementplan.com which is linked to the State of Wyoming web page.

7/1/01					6/30/02
<u>Beginning</u>		<u>Investment</u>	<u>Change In</u>	<u>Distributions</u>	<u>Ending</u>
<u>Balance</u>	<u>Contributions</u>	<u>Income</u>	<u>Market Value</u>	<u>and Fees</u>	<u>Balance</u>
\$5,155,176*	\$11,496,124	\$(1,089,573)	\$17,108	\$(1,551,877)	\$14,026,958

*The Treasurer's Administration accounts have been removed from the beginning balance. The above figures show participant balances only.

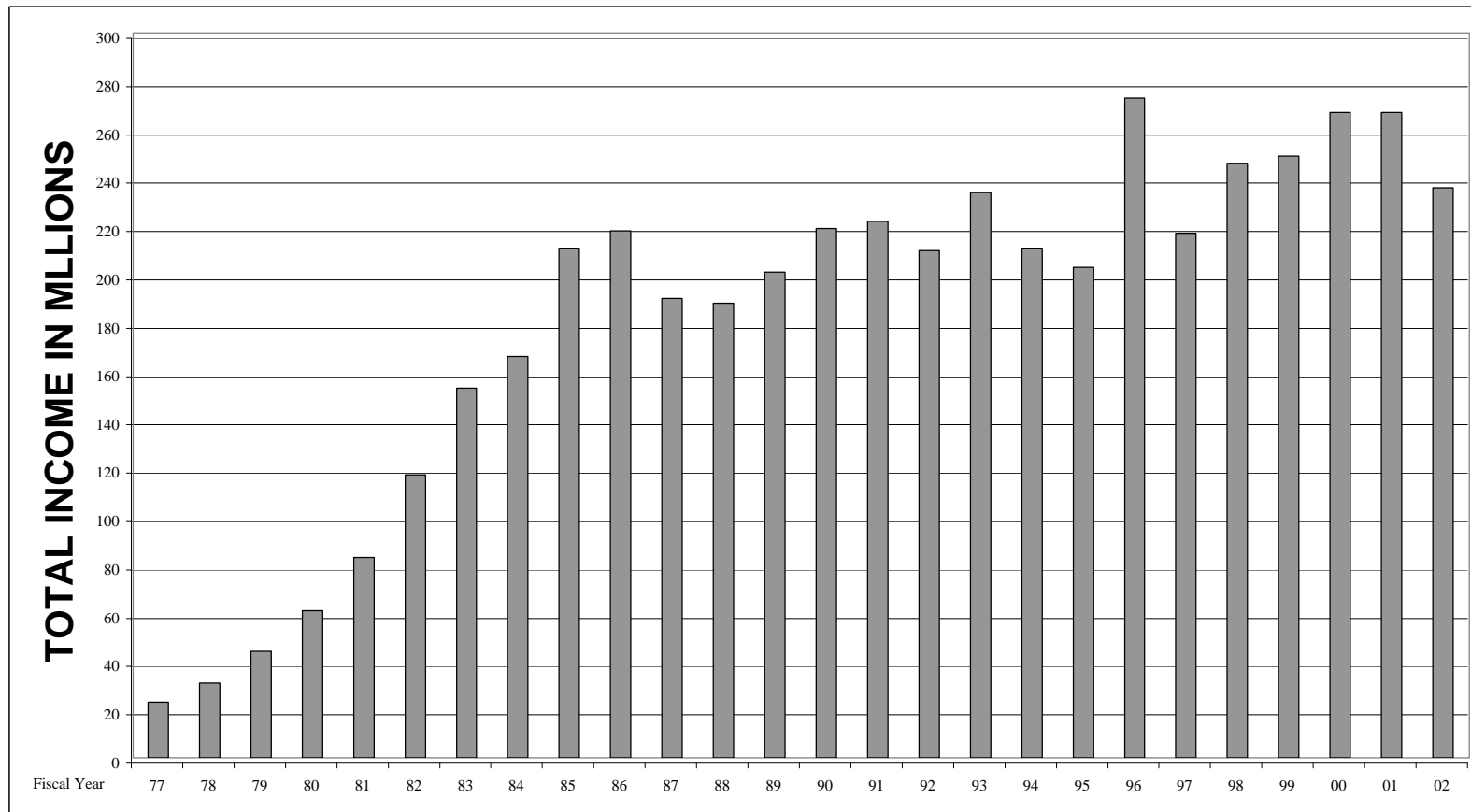
Wyoming participants (219) have \$903,562 in these accounts and the remainder "belongs" to the accounts set up by the 1,503 out-of-state participants.

LEGISLATIVE AUTHORITY

All references are to Wyoming Statutes Annotated, 1977 Republished Edition, except as noted.

9-1-401 through 9-1-413:	Duties Generally
34-24-101 through 34-24-140:	Unclaimed Property
9-4-605:	Bond Issues
15-5-302:	Distribution of Police Pension Fund
39-2-207:	Distribution of Railroad Car Tax
39-4-103 & 39-1-202:	Distribution of Veteran Exemption Reimbursements
39-6-302 through 39-6-306:	Distribution of Severance Tax
9-4-401 through 9-4-406:	Distribution of Taylor Grazing Funds
9-4-501 through 9-4-504:	Distribution of Forest Reserve Funds
9-4-601 through 9-4-604:	Distribution of Federal Mineral Royalties
11-6-210:	Distribution of Livestock Predatory Animal Control Fees
9-1-416:	Municipal Investment Trust (WYO-STAR)
9-4-709 through 9-4-711 & 4-9-101 through 4-9-113	Investment Policy & Prudent Investor Rule
9-4-701 through 9-4-707 & 9-4-834	Investment of State Funds
11-34-129;	Investment of Permanent Funds in Farm Loans
11-34-301;	Water Development Projects
16-1-109;	Joint Powers Board Loans
21-16-102;	Higher Education Loans
27-3-303;	Certification of Solvency
36-8-318 through 36-8-320;	State Park Debenture Bonds
37-5-203, 206;	Natural Gas Pipeline Authority Revenue Bonds
41-2-124;	Drinking Water State Revolving Fund
41-2-202, 210;	Gillette Water Well Supply and Transmission Project
1987-ch117;	Shoshone Municipal Water Treatment Project
1989-ch131, 230, 285;	Sheridan Area Water Supply Project, Treatment Project, Tourism Projects
1990-ch39, 72, 105;	Natrona County School Loan, Teton County School Loan
9-4-204:	Income Distribution
33-1-202;	Disposition of Fees and Interest
9-4-801 through 9-4-832:	Deposits in Wyoming Banks & S&L
9-4-708:	Investment Managers
21-22-101 through 21-22-109; 21-15-105; 39-6-305	Wyoming Education Trust Fund
21-16-904 through 21-16-904	University Endowment Matching
39-6-308:	Municipal Mineral Trust Fund
31-3-101:	Indian Motor Vehicle Exemption
9-4-1001 through 9-4-1002:	Guarantee for Local Government & School District Bonds
21-15-108:	School Capital Construction Bonds
39-3-301:	Deferred Tax Loans to Counties
9-10-101 through 9-10-108:	Investment Loan Program
1995-ch194, 201:	Special Water Treatment Projects
9-4-1101 through 9-4-1105:	Short-Term Borrowing Authority
21-16-801 through 21-16-808	College Savings Program
9-4-712 and 9-4-713	State Spending Policy

INVESTMENT INCOME



INVESTABLE FUNDS

